CHF International West Bank & Gaza
**Local Government and Infrastructure Program
(LGI)**
Cooperative Agreement# 294-A-00-10-00211-00
**Annual Report
FY 2012**

1 October 2011 – 30 September 2012

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ACRONYMS AND ABBREVIATIONS

AA	Assistant Administrator
AIP	Annual Implementation Plan
ARIJ	Applied Research Institute – Jerusalem
BTC	Belgium Development Agency
CA	Cooperative Agreement
CBOs	Community Based Organizations
CGE	Centers of Governance Excellence
CGEs	Centers of Governance Excellence
CHF	Cooperative Housing Foundation
CID	Community Infrastructure Development Program
CIDP	Community Integrated Development Plan
CoP	Chief of Party
CSC	Citizen Service Centers
CSOs	Civil Society Organizations
D&G	Democracy and Governance
DQA	Data Quality Assessment
EAJC	Engineers Association – Jerusalem Center
EDRMS	Electronic Document and Record Management System
EoI	Expression of Interest
FARV	Fixed Assets Registration and Valuation
HRMS	Human Resources Management System
ICMA	International City/County Management Association
JSC	Joint Services Council
KPI	Key Performance Indicator
LACs	Local Action Committees
LDR	Local Democratic Reform Program
LEED	Leadership in Energy and Environmental Design
LG	Local Governance (sector)
LGI	Local Government and Infrastructure Program
LGU	Local Government Unit
LWA	City2City Partnership Leader with Associates
M&E	Monitoring and Evaluation
MCI	Municipal Capacity Index
MDLF	Municipal Development and Lending Fund
MIS	Management Information System
MoE	Ministry of Education
MoF	Ministry of Finance
MOHE	Ministry of Higher Education
MoLG	Ministry of Local Government
MoP	Ministry of Planning
MoU	Memorandum of Understanding
MoPW	Ministry of Public Works
MSC	Most Significant Change
MSCP	Municipal Strategic Corporate Plans
MSN	Model Schools Network
NGO	Non-Governmental Organization

O&M	Operations & Maintenance
OCHA	Office for the Coordination of Humanitarian Affairs
PCU	Palestinian Contractor's Union
PMP	Performance Management Plan
PPM	Participatory Performance Measurement
PPW	Participatory Planning Workshop
RFA	Request for Application
RFEoI	Request for Expression of Interest
RFP	Request for Proposal
RIG	Regional Inspector General
SDFs	Strategic Development Frameworks
SDIP	Strategic Development and Investment Planning
SOGs	Standard Operating Guidelines
SoW	Scope of Work
ToR	Terms of Reference
ToT	Training of Trainers
UNRWA	United Nations Relief and Works Agency
USAID	United States Agency for International Development
WBG	West Bank & Gaza
WFP	World Food Program
YSLC	Youth Shadow Local Councils

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PROGRAM SUMMARY

The overall goal of the Local Government and Infrastructure Program (LGI) (CA# 294-A-00-10-00211-00; awarded September 2010 and amended in August 2011) is to promote an enabling environment for good local governance and provide the basic infrastructure necessary for sustainable improvements in the quality of life for Palestinians in the West Bank and Gaza. This goal will be achieved by meeting the following objectives:

Objective 1: Improve living conditions for Palestinians through the provision of sustainable, multi-sector community infrastructure packages Activities under this objective will provide packages of approximately 142 mutually-reinforcing infrastructure projects to approximately 78 communities in order to raise their standard of living and improve their quality of life. Approximately 60 additional infrastructure projects will be provided to 30 partner municipalities to further enhance effective and efficient service provision to citizens based on good governance practices, 16 of which will be unified municipal service centers, referred to as One Stop Shops or Citizen Service Centers. In total, the LGI program will target approximately 138 communities[1] and implement more than 202 infrastructure projects under this objective. As a result, an estimated 85% of community members will report improved access to community services.

Objective 2: Enhance the impact of USAID sector-specific programs and priorities through the provision of high priority infrastructure

Under this objective, LGI will support requests to increase the impact of programs in health, democracy and governance, education, or in the private sector by addressing underlying infrastructure needs which may be limiting the impact of those programs by providing approximately 54 additional infrastructure projects.

Objective 3: Strengthen local government capacity to respond effectively and efficiently to community needs by promoting and institutionalizing good democratic governance practices

Under this objective, LGI will design and implement capacity building, institutional development, and skills enhancement support packages to all targeted LGUs under objective 1 of this program, in addition to developing and institutionalizing tools and mechanisms to support citizen engagement in governance processes. LGI will also ensure the active engagement of community members in the selection, design, implementation, and management of infrastructure projects identified as a priority through a community based strategic planning process. Approximately 427 local government staff will take part in the program's capacity building, skills development and participatory planning workshops. Approximately 9,000 community members will participate in the identification, planning and implementation of program activities. As a result, approximately 85% of community members will express increased confidence in the local government's ability to respond to their needs.

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[1] A community is defined as a group of interacting people living in a common location. Throughout this Program Description, a community could refer to a village, town, city, and cluster of villages, merged/amalgamated council or a municipality. The 138 communities to be targeted will include localities recently merged or which will be merged/amalgamated by the Palestinian Authority's Ministry of Local Government.

Objective 4: Enhance the capacity of the MoLG to assume its regulatory, policy development, sector strategic planning, guidance and monitoring roles

LGI will support the MoLG-driven policy reforms for decentralization, amalgamation, civic engagement and other related topics through planning and policy development/reform processes, involving national and local authorities, civil society and academia supported by a group of national and international technical advisors, as needed. Approximately five policy development and/or reform processes will be supported, systems will be developed and institutionalized for informing the MoLG's policy development and operationalization cycle, and more than 100 MoLG staff will benefit from capacity building and skills development activities.

Objective 5: Generate employment opportunities and build the capacity of the Palestinian construction sector through the construction of infrastructure projects

Under this objective, LGI will provide employment opportunities to Palestinian communities by emphasizing the use of local construction materials, using labor-intensive building techniques, and generating long-term jobs. Various stakeholders' participation in capacity building efforts for the construction sector will improve the construction quality and strengthen the sector. A total of approximately 326,000[2] person days of short-term employment and approximately 200 long- term jobs will be generated.

Objective 6: In addition, up to five percent of the total budget may be reserved for unforeseen priority opportunities, windows of opportunity, which adhere to the overall objective of the project

Upon USAID's request, this sixth objective was added when the Program was amended and would be enacted, as applicable, in agreement with USAID.

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[2]This figure assumes an average labor cost for skilled and unskilled labor of $30 per day and that projects will achieve, on average, 20% labor content taking into account varying levels of labor percentages per type of project planned. For example, road projects on average can be assumed to achieve a labor content of 10%, while buildings can be assumed to achieve a labor content of 25%.

Executive Summary & Key Achievements

CHF International (CHF) has completed the second full year of implementation (October 2011 – September 2012) for the Local Government and Infrastructure Program (LGI) funded by USAID in the West Bank & Gaza. Looking back over this past year, the program has faced significant funding challenges caused by the Congressional funding hold, which froze funding for USAID/West Bank & Gaza programs. As a result, CHF was implementing LGI in FY12 using funding that had not been spent in FY11. Assuming there was no funding hold, CHF originally planned to spend $29.3 million in FY12. However, as a result of the hold, $9.8 million was spent, representing only 33% of the original planned expenditures.

Despite only spending 33% of the original planned amount for FY12, CHF was able to achieve significant results in FY12 under LGI as represented below in key program indicators:

Table 1: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12	% Achieved
Number of communities provided access to new or rehabilitated infrastructure	62	22	35%
Number of people benefiting from USG-supported social assistance programming	219,143	47,295	22%
Number of multi-sectoral community projects provided	59	30	51%
Number of people employed in temporary jobs as a result of USG supported social assistance programming	1,665	1,274	77%
Person days of employment generated	118,795	49,998	42%
Number of learners enrolled in primary or secondary schools and/or equivalent non-schools based setting with USG support	1,757	1,468	84%
Kilometers of roads constructed or repaired through USG assistance	25.48	18.25	72%
Number of youth shadow local councils established or supported	12	8	67%
Number of national government procedures/regulations or manuals developed or adopted with USG assistance	1	1	100%
Number of community members involved in community participatory processes	1,450	1,024	71%

The past year focused in particular on school (7) and road (18) infrastructure projects, and most of the 30 completed projects were in vulnerable communities and Area C, where CHF has implemented task orders for USAID under Objective 2. Both vulnerable communities and targeted communities in Area C tend to be smaller size villages with fewer residents than potential centers of governance excellence. As originally envisioned within the Annual Implementation Plan (AIP) developed before the funding hold, this year would have seen a larger number of infrastructure projects in potential Centers of Governance Excellence, which tend to have a higher number of residents. This would have increased the FY12 number of Palestinians benefitting from both multi-sectoral projects and overall social assistance programming under LGI. Below are summary charts showing the total number of beneficiaries per type of project in FY12 as well as the total number of working days generated per project.

Chart 1: Total Number of Beneficiaries per Sector (FY12)
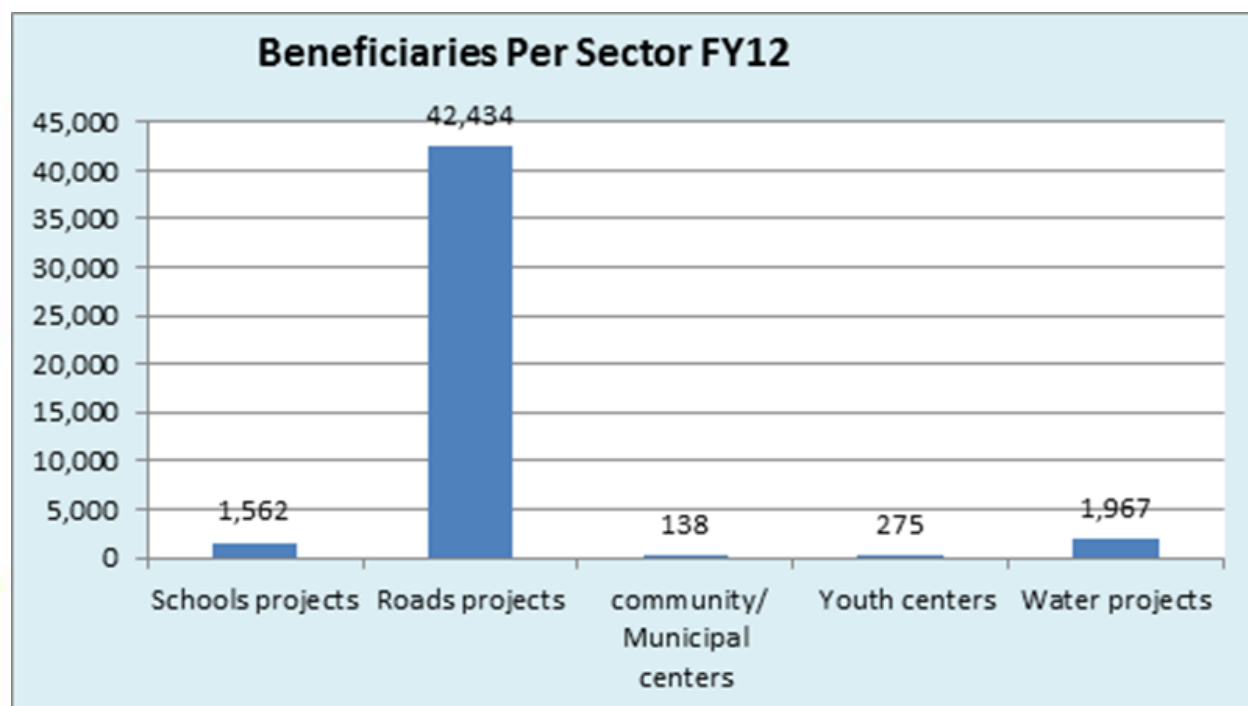
HIGHLIGHTING KEY ACHIEVEMENTS

Despite a challenging funding year, CHF and partners have worked to accomplish significant achievements, including:

Center for Governance Excellence Model: Based on learning from the Local Democratic Reform (LDR) program, CHF finalized a 'governance excellence' model this past year that will be used under LGI. The model was explained in detail in the AIP and includes nine core competency areas for LGUs under three broad categories, leadership, service delivery and management, and community participation. Given that one of LGI's primary objectives is to establish centers of governance excellence (CGEs) in the West Bank, the introduction of this model represents an important framework for the program and all activities implemented under the governance component. CHF is now working on developing a municipal capacity index based on the model, and is also working to introduce the model to other donors and to the MoLG for possible incorporation of its components into LGU benchmarking and evaluations conducted by other donors, MoLG, and MDLF.

Figure 1: Center for Governance Excellence Model

Youth Shadow Local Councils: Over the past year, CHF has decided to focus more intently on youth in the local governance sector given their importance as future leaders of a Palestinian state and the successes of piloting YSLCs under LDR, where youth clearly demonstrated their enthusiasm and creativity in local governance. During this past year, LGI provided limited financial support to YSLCs, and in many cases, YSLCs continued implementing activities without any financial assistance from LGI. This has demonstrated local buy-in and commitment to YSLCs and their activities. Moving forward, CHF will focus with selected local implementers to ensure sustainability of YSLCs so that continuation of YSLC activities is considered the norm at the community level.

Preparing for Local Council Elections: While observers were not certain that the October 2012 elections would take place, CHF worked towards the end of the eighth quarter to prepare for the elections should they happen. Coordinating closely with other donors and MoLG, CHF finalized preparations for printing the standard orientation manual for new LGU members created under LDR, and is now coordinating with these same stakeholders to roll out the training. Being prepared to support newly elected members has been critical for CHF and USAID in the governance sector and has demonstrated the depth of CHF's technical resources and ability to support local, democratic transition in the West Bank. In addition, the request from MoLG to print, distribute, and train new members based on this orientation booklet demonstrates that CHF has established the new standard for local council member training.

Enhanced Donor Coordination: CHF has increased its coordination and collaboration with other donors during this past year. As an example, CHF has been an active member of the SDIP National Committee working on monitoring and updating the implementation of the SDIP process. In addition, CHF is exploring with other donors the development of a One Stop Shop Manual for LGUs. Moreover, donors are approaching CHF to use information generated by EDRMS (for example, the time it takes the LGU to process a citizen's request) as benchmarks for LGU performance. During this past year, CHF also implemented a joint venture with MDLF for the first time related to Fixed Assets Registration.

National Level Impact: CHF began implementing Objective 4 activities this past year, and has already demonstrated significant achievements. Prior to this year, the 11 directorates for MoLG were operating under their own procedures. Largely ignored by the donor community who often focus on MoLG or LGUs, the directorates play an important intermediary role and represent MoLG's frontline in working with LGUs. For these reasons, CHF worked with the directorates to unify all operational procedures into one manual that will be utilized in all 11 directorates. This will result in more streamlined, clear, and effective directorate procedures and operations in the program's out years.

Area C Schools: During this past year, CHF has completed three Area C school projects under Objective 2 of the program, and is implementing an additional three ongoing Area C school projects to be completed in FY13. Given the difficulties local communities have in obtaining permits for school renovation or construction in Area C, CHF feels these projects have significant impact on the quality of education in target communities[3].

Table 2: CHF's Impact in Area C Schools as of October 2012: At a Glance

Status	School Name	Governorate	# of students
Completed	Dhaher Al Abed Co-Ed	Jenin Governorate	83
	Deirat Co-Ed[4]	Hebron Governorate	166
	Al Buweib Co-Ed	Hebron Governorate	162
	Al Maniya Co-Ed	Bethlehem Governorate	350
Ongoing	SalahEddin Boys	Jerusalem Governorate	240
	Az Zeer Boys Secondary	Bethlehem Governorate	525
Total	*6 schools*		*1,526 students*

As demonstrated above and in the enclosed report, CHF was able to achieve significant outputs despite the funding hold as a result of key management adjustments made to ensure high performance levels. One key management adjustment was implementing the activities in-house by CHF staff rather than through sub-grantees. For example, Youth Shadow Local Council activities had been implemented previously by local partner organizations; however, as a result of the hold and to save money, activities were implemented directly by CHF/LGI staff. In addition, Strategic Development and Investment Planning processes have typically been facilitated by external consultants in the past; but again, in FY12 CHF staff facilitated these processes directly.

Moreover, CHF was able to maintain momentum with partner Local Government Units (LGUs) during the hold, enabling a robust and smooth remobilization once the hold was lifted. As a result, the last quarter of FY12 witnessed a remobilization of all program activities, including those previously on hold, such as design reviews and implementation of new infrastructure projects, objective 5 activities, and special initiatives.

COOPERATIVE AGREEMENT UPDATES & CONSIDERATIONS
During the past fiscal year, CHF submitted and received USAID approval on the Annual Implementation Plan for FY12 and FY13 and Performance Management Plan (PMP)[5] for the program overall. While the PMP targets refer to the original cooperative agreement targets, the AIP for FY13 is based on assumptions regarding potential reduced funding levels by about 30% based on guidance from USAID. In addition, because of the funding hold (and subsequent overall reduced spending), CHF's burn rate on the

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[3] A more in depth success story on Area C school projects is included in Annex (19).
[4] Reported completed in FY13.
[5] See Annex (1) – Performance Management Plan.

program and results achieved to date are lower than expected pre-hold. Furthermore, as described, the AIP assumes possible reduction in overall program funding. As a result of these factors, CHF will likely need to adjust overall program targets in the upcoming fiscal year in the cooperative agreement and PMP.

OBJECTIVE 1: Improve living conditions for Palestinians through the provision of sustainable multi-sectorial community infrastructure packages[5]

Table 3: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12
Number of Palestinians benefiting from provision of USG sponsored multi-sectoral infrastructure packages (male)	147,500	23,369
Number of Palestinians benefiting from provision of USG sponsored multi-sectoral infrastructure packages (female)	147,500	23,007

Under this objective, LGI aims at improving the quality of life for Palestinians through construction/rehabilitation of vital infrastructure projects that will assist communities to meet their basic needs and restore essential services. CHF works in both vulnerable communities and communities that are potential centers for governance excellence. By gauging existing needs in some of the most vulnerable communities in the West Bank (selected based on a 2010-2011 vulnerability assessment conducted by the Applied Research Institute – Jerusalem or ARIJ), LGI, through its community planning processes, is able to design and implement small and large scale labor-intensive infrastructure projects, including health, education and roads, to assist in reducing humanitarian and short-term unemployment problems.

This year, LGI received approval on ten infrastructure packages, completed 25 projects, and continued implementing an additional ten infrastructure projects, including one Citizen Service Center (CSC). Below is a description of the work achieved this quarter broken down by vulnerable and potential CGE locations.

LGI and its work with vulnerable locations:

The ARIJ vulnerability assessment study identified 72 vulnerable locations, which were then submitted to USAID for review and approval under three tranches. Of the locations approved, CHF identified 39 target locations (including four pending confirmation of approval/clearance as highlighted above). Within the 39 locations approved, 72 communities will be covered[7]. To date, 35 infrastructure packages were submitted and approved, including Kafa (a neighborhood of Tulkarem[8]). The up to date locations of approved packages and the dates of approval are listed below:

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[6] See Annex (2) – Infrastructure Master Tracking Sheet.
[7] Some of the locations are recently amalgamated and some are planned for amalgamation.
[8] The community of Kafa falls within the Tulkarem governorate. It is counted as a potential CGE community.

Table 4: Approved Infrastructure Packages in FY12

No	Governorate	Name of Package Location	Date of Package Approval
1	Jenin	East Jenin Cluster	March 14, 2011
2	Salfit	West Salfit Cluster	March 29, 2011
3	Salfit	East Salfit Cluster	March 31, 2011
4	Jenin	Raba	May 6, 2011
5	Bethlehem	'Arab ar Rashayida	May 11, 2011
6	Hebron	As Sura	May 18, 2011
7	Tulkarm	Baqa ash Sharqiya	May 13, 2011
8	Tulkarm	Kafr al Labad	May 17, 2011
9	Jerusalem	Ash Sheikh Sa'd	May 20, 2011
10	Bethlehem	Hindaza and Bureid'a	May 23, 2011
11	Hebron	Khallet al Maiyya	May 24, 2011
12	Hebron	Ar Ramadain	June 2, 2011
13	Hebron	Beit 'Amra	June 2, 2011
14	Hebron	Beit Ummar	June 6, 2011
15	Ramallah	Sinjil	June 17, 2011
16	Hebron	Khursa	June 20, 2011
17	Ramallah	Deir As Sudan	June 27, 2011
18	Nablus	Yasid	June 27, 2011
19	Bethlehem	Tuqu'	June 27, 2011
20	Hebron	Al Burj and Al Bira	June 27, 2011
21	Tulkarm	Kafa[9]	June 29, 2011
22	Jerusalem	Jaba	June 30, 2011
23	Bethlehem	Marah Rabah	June 30, 2011
24	Nablus	Al Lubban Ash Sharqiya	June 30, 2011
25	Tulkarm	Qaffin	August 5, 2011
26	Jenin	Mislya	November 15, 2011
27	Jerusalem	Hizma	December 14, 2011
28	Tubas	'Aqqaba	December 21, 2011
29	Jerusalem	Beit Surik	January 4, 2012
30	Hebron	Al Majd	January 4, 2012
31	Jerusalem	As Sawahira ash Sharqiya	January 13, 2012
32	Tulkarm	Zeita	January 27, 2012
33	Ramallah	Saffa	March 28, 2012
34	Jenin	Kafr Ra'i	June 24, 2012
35	Salfit	Yasuf and Iskaka	June 24, 2012

As per the Cooperative Agreement and Implementation Plan, a package of one to two infrastructure projects will be implemented, as applicable, in each potential CGE. Projects will be selected based on the Strategic Development and Investment Plans (SDIP) (see Objective 3, Component A) developed in each location and on demonstrated commitment by relevant line Ministries and the Local Government Unit (LGU) to operate and maintain the facility. The development of the SDIPs is ongoing in eight potential CGE communities.

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[9]Ibid.

Details of the infrastructure packages approved this year are listed below:

Aqqaba Package - Jenin Governorate: A total estimated cost of $700,000. This package includes:
1. The Construction of a Secondary Girls' School with the aim to construct eight classrooms, a sanitary unit, computer lab, scientific lab, a library, an administrative unit, a counselor room, a canteen, a home economics room and other external works.

Hizma Package - Jerusalem Governorate: A total estimated cost of $450,000. This package includes:
1. Completion of rehabilitation and extension of the current water network.
2. Construction of additional classrooms and general rehabilitation of Hizma Elementary Girls School. The project includes construction of two additional classrooms, a staircase, general rehabilitation works for the entire school, and rehabilitation of the boundary wall.
3. Construction of sidewalks for Hizma main road with guardrails at the schools' entrances.

Misliya Package - Jenin Governorate: A total estimated cost of $450,000. This package includes:
1. Construction of a two-floor Community Service Center with a total area of 500 square meters.
2. Construction of a 2 km linking road including the addition of a base coarse layer.

Beit Surik Package - Jerusalem Governorate: A total estimated cost of $450,000. This package includes:
1. The rehabilitation of Beit Surik Secondary Boys School. The rehabilitation will include retiling, plastering, painting, and replacement of windows steel protection; as well as external rehabilitation of the school's playground.
2. The rehabilitation of internal roads. Rehabilitation of internal roads in Beit Surik will fix the damage caused to the streets due to the rehabilitation of the water network, which is currently ongoing and is in the final stages. The project will include asphalting and construction of sidewalks, retaining walls and parapets for damaged roads.

Al Majd Package - Hebron Governorate: A total estimated cost of $640,000. This package includes:
1. The construction of a two-floor Community Services Center with a total area of about 500 square meters. The proposed Center will include Village Council facilities, a youth center, a women's center, a multi-purpose hall, as well as landscaping.
2. Rehabilitation works for Al Majd Secondary Girls School. The works will include general rehabilitation work for the school premises including treatment of wall cracks and humidity, insulation of the kitchen and school roofs, rehabilitation of school windows, doors and locks, plastering and replacing steel windows.
3. Rehabilitation of internal roads. This will include the rehabilitation of about 1.3 km of internal roads (5 meters asphalt and 7 meters base course) as well as the construction of stone walls where needed. The proposed road segments are: Abu Suwwan Road and Wadi An Najeel Road.

As Sawahira ash Sharqiya package - Jerusalem Governorate: total estimated cost of $260,000. This package includes:
1. Construction of three internal roads including Al Mi'rad, Abdul Qader neighborhood, Ja'far Mosque Road sections, and Abdul Qader - Al Mukhtar Road.

Zeita package - Tulkarm Governorate: A total estimated cost of $700,000. This package includes:
1. The construction of Co-educational Primary School with the aim to construct eight classrooms; a library – including a computer lab, science lab and arts room, an administration office – including teachers room, a social worker room, a canteen and sanitary unit; stairs, and external work including yards and boundary walls.

Saffa package - Ramallah- Al Bireh Governorate : A total estimated cost of $400,000. This package includes:

1. Rehabilitation of internal roads. The total length of the roads is 2 km.
2. Rehabilitation of schools. The proposed schools are:
    a. Saffa Secondary Governmental Girls School, covering grades 1-12 with 519 students and 30 teachers. The work consists of general rehabilitation of eight classrooms including painting and fixing new windows and doors, as well as the construction of a new canteen.
    b. Saffa Primary Boys School, covering grades 1-8 with 360 students and 25 teachers. This school needs sheds for the playground in addition to external painting.

Kafr Ra'i Package – Jenin Governorate: A total estimated cost of $750,000. This package includes:
1. The construction of a Youth Club.
2. Rehabilitation of the Eastern Entrance of the town.
3. Rehabilitation of one internal road – Al Khaniq Street.

Yasuf and Iskaka Package – Salfit Governorate: A total estimated cost of $500,000. This package includes:

1. The construction of an additional floor for Yasuf – Iskaka Secondary Girls' School and the landscaping of the Village's Kindergarten.
2. The construction of an elevated water tank.

Furthermore, LGI had 40 projects (inclusive of objectives 1 and 2) **under design**[10] distributed among the West Bank governorates with allocated budget of approximately US$7,572,000.

Projects completed this year[11]:

During this reporting period, LGI completed the construction/rehabilitation of 25 community infrastructure projects in targeted locations benefiting 45,264 people[12], of which 22,496 were females and 22,768 were males, providing approximately 28,306 days of employment as well as creating 996 temporary jobs. An additional ten projects are ongoing.

Northern West Bank:

24043-11-NW-SA015 Rehabilitation of Internal Roads in Raba, Jenin Governorate – $255,562.87 (Total actual cost[13]) with $243,633.14 (USAID contribution): This project included the rehabilitation of 2.5 km of road, six meters wide with one meter shoulder on both sides. The project has created 85 temporary jobs and 1,845 job days. It also benefited a total of 2,000 males and 2,000 females.

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[10] See Annex (13) - List of project under design.

[11]Completed projects mean final payments have been processed to the contractor.

[12] Number of beneficiaries is reported once only for projects, which include more than one phase.

[13] Total actual cost included the community's contribution.

| *Before* | *During* | *After* |

Photo Caption: Construction of Raba road

24043-11-NW-SA019 Rehabilitation of Connecting Roads for Baqa ash Sharqiya - Phase 1: An Nazla al Wusta, Tulkarim Governorate – $86,096.50 (Total actual cost) with $ 81,297.85 (USAID contribution: This project included construction and paving of linking roads, construction of internal roads and construction of retaining walls between Baqa ash Sharqiya and surrounding neighborhoods. The project created 30 temporary jobs and 446 job days. It also benefited a total of 210 males and 210 females.

An Nazla al Wusta village was recently merged with Baqa ash Sharqiya neighboring town according to Ministry of Local Government plans. The linking and internal roads between Baqa Al-Sharqiya and its new neighborhoods were deemed urgent to prevent accidents and provide a safer environment residents. It was classified as a priority for two reasons; the first was due to lack of services and infrastructure available in the village, the second was to promote and enhance amalgamation.

The project had clear impact by increasing safety through preventing soil erosion on both sides of the asphalted streets while protecting the village from water leakage under asphalt roads especially during winter. It also facilitated safe pedestrian movement for students to and from the village's Primary School

24043-11-NW-SA023 Construction of Agricultural Roads in Yasid - Phase 1 in Yasid – Nablus Governorate - $62,226.97 (Total actual cost) with $62,226.97 (USAID contribution): This project included the construction of agricultural roads in Yasid village - Phase 1. This includes the construction and expansion of 1,200 square meters of agricultural roads and construction of 2,400 square meters of stonewalls on both sides. The project created 28 temporary jobs and 819 job days. It also benefited a total of 350 males and 450 females.

24043-11-NW-SA024 Construction of Agricultural Roads in Yasid - Phase 2 in Yasid – Nablus Governorate - $158,750.00 (Total actual cost) with $158,750.00 (USAID contribution): This project included the construction of agricultural roads in Yasid village - Phase 2. This includes the construction and expansion of 2,460 square meters of agricultural roads and construction of 4,920 square meters of stonewalls on both sides. The project created 30 temporary jobs and 1,238 job days. It also benefited a total of 350 males and 450 females.

Before Construction   *During Construction*   *After Construction*
Photo Caption: Construction of Agricultural Roads in Yasid - Phase 2

24043-11-NW-SA025 Construction of Agricultural Roads in Yasid - Phase 3 in Yasid – Nablus Governorate - $103,226.69 (Total actual cost) with $103,226.69 (USAID contribution): This project included the construction of agricultural roads in Yasid village - Phase 3. This includes the construction and expansion of 1,700 square meters of agricultural roads and construction of 3,400 square meters of stone walls both sides. The project created 23 temporary jobs and 835 job days. It also benefited a total of 350 males and 450 females.

Before   *During*   *After*
Photo Caption: Construction of Agricultural Roads in Yasid - Phase 3

24043-11-NW-SA026 Construction of Agricultural Roads in Al Lubban ash Sharqiya – Phase 1 in Al Lubban ash Sharqiya, Nablus Governorate - $ 64,610.08 (Total actual cost) with $62,207.76 (USAID contribution): This project included the construction of agricultural roads in Al Lubban ash Sharqiya – Phase 1, Nablus. This includes excavations, leveling and installation of a 1,500 linear meter base coarse layer. The project created 31 temporary jobs and 325 job days. It also benefited a total of 477 males and 325 females.

24043-12-NW-SA011 Construction of agricultural roads in Al Lubban Ash Sharqiya – Phase II, Nablus Governorate - $65,846.07 (Total actual cost) with $64,526.28 (USAID contribution): The project focused on construction of 900 meters of agricultural roads including construction of approximately166 m walls. The works included excavations, leveling and installation of a base coarse

layer. During this reporting period, the final payment was released to the contractor. The project created 13 temporary jobs and 246 job days, and benefited 477 males and 325 females.

Photo Caption: Al Lubban Ash Sharqiya Road before rehabilitation.

Photo Caption: Al Lubban Ash Sharqiya Road during rehabilitation.

Photo Caption: Al Lubban Ash Sharqiya Road after rehabilitation.

24043-11-NW-SA014: Construction of a Secondary Boys School in Al Mughayyir, Jenin Governorate - $468,291.93 (Total actual cost) with $450,911.65 (USAID contribution): This project included the construction of six classrooms, a sanitary unit, computer lab, library, science lab, administration unit, canteen, and external works. The project created 81 temporary jobs, and 7,130 job days. It also benefited 167 males.

24043-11-NW-SA028: Rehabilitation of Kafa Neighborhood –Tulkarm Road with Sidewalks and Walls in Kafa – Tulkarm City, Tulkarm Governorate – $315,883.96 (Total actual cost) with $315,883.96 (USAID contribution): This project included the completion of a 350-meter long retaining wall, a 350-meter long sidewalk and widening of a 1,400-meter length of road (including application of base course, road shoulders and asphalting). The project created 70 temporary jobs and 2,183 job days. It also benefited 431 males and 367 females.

Kafa Neighborhood, an urban area of Tulkarem city, is one of the vulnerable communities of the West Bank. Most of Kafa's lands are in Area C, and the Village Council faced major problems in getting appropriate permits for rehabilitation from Israeli authorities.

It is a marginalized region where citizens do not have access to basic health care services and educational schools.; AS per Tulkarem City's SDIP, this project was ranked as top priority. This road will connect Kafa Neighborhood with Tulkarem City.

The new road will also enhance amalgamation, social networking, and economic development linkages. The walls on the side of the renovated street eliminated the effects of rain floods that separated Kafa suburb from Tulkarem city and protected farmers' agricultural products and crops from damage during the winter season. In addition, movement of citizens, vehicles and traders is easier and safer.

Central West Bank

24043-11-CW-SA022 Rehabilitation of Marda Main Water well, Salfit Governorate –$47,127.09 (Total actual cost) with $47,127.09 (USAID contribution): The project includes the general rehabilitation and plastering of the water well, as well as landscaping of the surrounding area. The project created 16 temporary jobs and 516 job days. It also benefitted a total of 979 males and 988 females.

24043-11-CW-SA025 Rehabilitation of the main road in Ash Sheikh Sa'd, Jerusalem Governorate - $236,469.64 (Total actual cost) with $234,567.47 (USAID contribution): The project included a base coarse and asphalting of approximately 1,400 meters in length, with an average of six meters in width, as well as the construction of 500 meters of retaining walls. The project is complete, and has created 47 temporary jobs and 1,422 job days. It also benefited a total of 2,553 males and 2,745 females.

24043-11-CW-SA030 Rehabilitation of the Main Entrance of Deir as Sudan, Ramallah Governorate - $513,093.94 (Total actual cost) with $303,380.67 (USAID contribution) The project included the pavement of the main entrance (1.1 km with sidewalks) of the village. The project created 44 temporary jobs and 1,214 job days. It also benefited a total of 920 males and 1,200 females.

24043-11-CW-SA031 Construction of retaining walls in Deir as Sudan, Ramallah Governorate- $135,816.32 (Total actual cost) with $135,816.32 (USAID contribution): This project included the construction of a 260 meter length retaining wall. The project created 26 temporary jobs and 844 job days. It also benefited a total of 920 males and 1,200 females.

24043-11-CW-SA028 Rehabilitation of Internal Roads in Sinjil town Phase 1, Ramallah Governorate – $158,467.75 (Total actual cost) with $129,576.67 (USAID contribution): This project resulted in the rehabilitation of approximately 2.6 km of internal roads. The project created 21 temporary jobs and 249 job days. It has also benefitted a total 3,050 males and 3,050 females.

24043-11-CW-SA029 Rehabilitation of Internal Roads in Sinjil town - Phase 2 in Sinjil, Ramallah Governorate - $165,324.35 (Total actual cost) with $138,521.74 (USAID contribution) This project included the construction/ rehabilitation of 2.83 km roads. The project created 42 temporary jobs and 482 job days. It also benefited a total of 3,050 males and 3,050 females.

24043-11-CW-SA033 Rehabilitation of Abu Bakr as Saddeeq Primary Boy's School in Sinjil, Ramallah Governorate - $64,926.51 (Total actual cost) with $64,926.51 (USAID contribution): The project included painting and rehabilitation, along with ensuring disability access and construction of a new sanitary unit for the disabled. The project created 24 temporary jobs and 705 job days. It also benefited a total of 297 males and 8 females.

LGI implemented three projects in Sinjil including the rehabilitation of internal roads and one school. These interventions had major and significant impact on the Sinjil community. LGI team held a focus group for the community to assess the impact level of LGI's interventions, and the captured results were noteworthy and substantially positive. The focus group included the Mayor of Sinjil, council members, school teachers and citizens. LGI's interventions mainly focused on the central part of Sinjil called "Bab Al-Souk". This section of the village is extremely over populated and the width of its roads did not exceed three meters. In cases of emergencies, ambulances could not reach the homes of patients to transfer them to hospitals; rather, they would park meters away and would have to walk to the patient's home and transfer the patient on a stretcher back to the ambulance. During the winter season, citizens would have to walk in un-asphalted muddy streets. This resulted in major delays for employees and students to reach their respective destinations and left them wet and unclean upon arrival.

Due to these circumstances, Sinjil community was eager to contribute in any way possible to ensure that LGI's interventions are holistic and capable of addressing the community's needs. As such, several community members donated land and allowed the Village council to realign parts of their old terraces to increase the width of the streets. In addition, LGI's interventions, including the installment of guard rails, along with the community's contributions and cooperation prevented two potentially deadly car accidents for citizens from Al-Jiljilyeh neighboring village. The current three main road exits allow people to reach their destination on time. Students can safely walk to school now and arrive clean and tidy. Following are some quotes from the focus group:

- *"This is something I never dreamt of before. Now I can reach any land I want to go to."*
- *"The difference today is similar to the difference between heaven and earth."*
- *"This is a symbol for civilization and a commitment to ease the lives of citizens."*

Photo Caption: Focus Group held in Qadoura Youth Club

Photo Caption: Focus Group held in Sinjil

24043-11-CW-SA024: Construction of Additional Two Floors for Biddya Primary Girls' School in Biddya, Salfit Governorate - $245,133.92 (Total actual cost) with $229,908.50 (USAID contribution): The project included removing four classrooms and replacing them with five new ones, a computer lab, a teachers' room and an administration room. The project created 88 temporary jobs and 3,061 job days. It also benefited 241 females.

This school was selected as a priority project by the community due to overcrowded classrooms with more than 35 students per class and lack of basic facilities, such as a library, counselor's room, storage units, boundary walls, and playground facilities. Bidya is one of West Salfit's clusters with limited basic services. Only 55% of the roads are paved, one clinic provides health services, and there are rudimentary recreational facilities.

The rehabilitation of the school allowed students currently traveling outside of the district to receive education in their region, thus saving them transportation costs and time spent commuting. The new school also reduced the overcrowding number from 35 students to less than 20 students per classroom, which will positively affect the level and quality of education.

In terms of gender equality, this project secured education opportunities for girls from the community by eliminating long commutes, improving the quality of education received, and provided physical fitness/play spaces.

Before Construction   *During Construction*   *After Construction*
Photo Caption: Construction of Additional Two Floors for Biddya Primary Girls' School.

24043-12-CW-SA009 Construction of additional classrooms and other facilities in Qira Primary Coeducational School in Qira, Salfit Governorate - $259,062.80 (Contractual) $116,984.50 (Total actual cost) with $107,009.54 (USAID Contribution): The project included the skeleton construction of 3 classrooms, a computer lab, a science lab, library, administration office, teachers' room, advisor room and canteen. Given the challenges with the contractor in ensuring quality work, CHF made a contract amendment to the original contract to amend the scope of work to cover the skeleton works only. This modification reduced the contract value by $152,522.7. This part of the project created 56 temporary jobs and 1,482 job days, and benefited 82 males and 68 females. Please see below regarding contract #**24043-12-CW-SA003** for the additional works required to complete this project.

The rehabilitation of the internal roads in Hindaza and Bureid'a made it possible to connect to Beit Sahur, the hub for commercial services, and resulted in a major impact on the residents of the village. Mr. Ebayat, Village Council Secretariat, said that the original route to the city took the villagers around 20 minutes to complete, while now it takes less than five minutes. Moreover, the impact of the project has been felt beyond the community of Hindaza and Bureid'a; it has also benefitted the surrounding southern villages and towns as the road connects them directly to Beit Sahur (previously they had to drive through Bethlehem's narrow congested internal roads). Other community members use this internal road to connect to the Northern cities of Ramallah and Nablus, bypassing Bethlehem and Beit Sahur.

Moreover, rehabilitating the internal roads in Hindaza and Bureid'a allowed for economic development. The project is now encouraging people to buy land around the roads for construction and agricultural purposes. The land area in Hindaza and Bureid'a is the only viable option for the Bethlehem and Beit Sahur cities to undertake urban expansion (it is not possible for the cities to expand further, as they are blocked by Israeli settlements and the separation wall from the northern, eastern and western directions). Therefore, infrastructure development in the area of Hindaza and Bureid'a is essential and basic to accommodate the urban growth of Bethlehem and Beit Sahur.

Jane, a resident living with her husband and five children, explained how the project made her life easier: "The situation was disastrous prior to the street asphalting. We used to park our car at the beginning of the valley and walk home. In the rainy winter days, the situation was the worst. Some of my neighbors used to park their cars 600 meters away from their homes and walk on the dirt road. In cases of emergencies, the situation was very serious. Nowadays, we can park our cars next to our homes. Also public transportation services are using this road, which improves our mobility. It's now easy for ambulances and emergency vehicles to reach our homes".

Southern West Bank:

24043-11-SW-SA022 Rehabilitation of Internal Roads in Hindaza and Bureid'a, Bethlehem Governorate - $103,746.75 (Total actual cost) with $101,892.55 (USAID Contribution): The project included the rehabilitation and asphalting of approximately 900 meters of roads. It also resulted in the construction of 600 meters of stone walls. The project created 31 temporary jobs and 557 job days. It also benefited 2,416 males and 2,383 females.

24043-11-SW-SA021 Rehabilitation of Internal Roads in Khallet al Louza, in Hindaza and Bureid'a, Bethlehem Governorate – $**85,770.05 (Total actual cost) with $83,697.02 (USAID contribution:** The project includes the rehabilitation and asphalting of approximately 700 meters of internal roads. The project created 31 temporary jobs and 213 job days. It also benefited a total of 290 males and 288 females.

24043-11-SW-SA017 Rehabilitation of Internal Roads with Sidewalks and Walls - 'Arab ar Rashayida, Bethlehem Governorate – $95,243.24 (Total actual cost) with $95,243.24 (USAID contribution): This project included the rehabilitation of just under 1 km of existing roads in addition to the construction of sidewalks and retaining walls. The project created 41 temporary jobs and 511 job days. It has also benefited a total of 723 males and 678 females.

24043-11-SW-SA030 Rehabilitation of the main Road in 'Arab ar Rashayida, Bethlehem Governorate - $191,925.56 (Total actual cost) with $191,925.56 (USAID contribution): This project included the rehabilitation of the main road in addition to the construction of sidewalks and retaining walls. The total length is 1.9 km, and 5 meters wide. The project created 33 temporary jobs and 695 job days. It also benefited a total of 723 males and 678 females.

24043-11-SW-SA036 Rehabilitation of Amadabe Road in Beit Ummar, Hebron Governorate - $148,853.24 (Total actual cost) with $86,349.01 (USAID contribution): The project included rehabilitation and asphalting of 800 meters of roads that link the town center and the surrounding area of Amadabe, the spreading of base course layer with 8 meters, asphalting of 6 meters of roads, construction of retaining walls and concrete shoulders, and road painting. The project created 15 temporary jobs and 279 job days. It also benefited a total of 6,735 males and 6,472 females.

Befor   *During*   *After*

Photo Caption: Rehabilitation of A Madabe' road in Beit Ummar

24043-11-SW-SA035: Rehabilitation of Dahr El Baraheesh Road in Beit Ummar, Hebron Governorate – $177,292.12 (Total actual cost) with $117,676.97 (USAID contribution): The project included rehabilitation and asphalting of 1 km of roads that link the town center and the surrounding area of Dahr Al Baraheesh. The project involved the spreading of a base course layer of 8 meters, asphalting of 6 meters of roads and rehabilitation of some of the current existing road shoulders. The project created 29 temporary jobs and 613 job days. It also benefited 6,735 males and 6,472 females.

Photo Caption: Beit Amra Road before rehabilitation.

Photo Caption: Workers during the asphalt work- Beit Amra Road.

Photo Caption: Beit Amra Road after rehabilitation.

24043-12-SW-SA016 Rehabilitation of the main road in Beit Amra, Hebron Governorate – $107,511.80 (Contractual) $177,129.80 (Amended Contract) $169,513.25 (Total actual cost) with $169,513.25 (USAID contribution): The project focused on construction of 1,764 m^2 road shoulders and general rehabilitation work for the main road (about 1.01 Kilometer) with 5 meters asphalt, and 7 meters base course. The contract was amended to include concrete shoulders, cat eyes, and protection walls to make the road as safe and functional as possible following the lifting of the funding hold. The project created 61 temporary jobs and 396 job days, and benefited 1,088 males and 1,023 females.

The following projects under Objective 1 are **on-going**:

Northern West Bank:

24043-12-NW-SA013 Rehabilitation of internal and connecting roads in Misilya, Jenin Governorate - $279,785.20 (Contractual): The project includes rehabilitation of approximately 1.85 km of roads including asphalting work, construction of box culverts, road shoulders, stone and retaining walls in addition to road marking. The project is at 15% completion.

24043-12-NW-SA001 Rehabilitation of Akkaba - Qaffin connecting road, Tulkarm Governorate - $51,760.10 (Contractual): The project includes rehabilitation of approximately 220 meters (0.60 kilometers) of road including asphalting work, construction of sidewalks with interlock tiles and boundary walls in addition to road marking. The project is at 20% completion.

Central West Bank:

24043-12-CW-SA015 Construction of one additional floor in the village council building for Jaba' Youth Club, Jerusalem Governorate – $114,902.30 (Contractual) $125,412.70 (Amended Contract): The project includes construction of a third floor of the Village Council building (total area is 240 square meters). External works include the construction of a wall surrounding the building. The project's scope of work was minimized due to the congressional hold on funds. However, following the lifting of the funding hold, LGI team requested an amendment to the contract to cover the original scope of work. The project is at 50% completion.

24043-12-CW-SA003 Finishing and external works for Qira Primary Co-educational School, Salfit Governorate - $169,667.00 (Contractual): The project includes completing the finishing works for three classrooms and seven facilities in addition to external works which include paving the playground, rehabilitation of retaining walls and construction of sidewalks. The project is at 35% completion.

24043-12-CW-SA023 Rehabilitation of Beit Surik main road, Jerusalem Governorate - $169,255.30 (Contractual): The project includes rehabilitation of approximately 550 meters of road with 80 meters of retaining walls and 1,300 m^2 of sidewalks. To-date, site mobilization and survey works have just begun.

Southern West Bank:

24043-12-SW-SA004 Establishment of a Citizen Service Center in Adh Dhahiriya Municipality, Hebron Governorate - $62,862.80 (Contractual) $132,368.50 (Amended Contract): The project involves upgrading part of the ground floor of the municipal building to be used as a Citizen Service Center (CSC) for provision of municipal services to citizens. The works include installing new partitions, plastering, tiling, painting, electrical, and mechanical installations. A no cost extension was given to the contractor until 10 August, 2012, to complete additional requested works. The contractor submitted the price offer for the additional work that will make the project more functional and durable. The contract ended on 29 September, 2012. The contractor was subject to financial penalty due to unjustified delays in the works. As such, the project is at 82% completion.

24043-12-SW-SA026 Rehabilitation of Khallet Al Maiyya- Umm Lasafa road, Hebron Governorate - $192,495.80 (Contractual): The project will focus on rehabilitation of approximately 954 meters of road including construction of stone and retaining walls, stone boulders, painting and installation of road signs and marking. The project is at 20% completion.

24043-12-SW-SA025 Rehabilitation of internal roads in Khallet Al Maiyya, Hebron Governorate - $102,961.60 (Contractual): The project will focus on rehabilitation of approximately 640 meters of road, including construction of stone walls, retaining walls, stone boulder, painting, and installation of road signs and marking. The project is at 50% completion.

24043-12-SW-SA027 Rehabilitation of Tuqu' main road, Bethlehem Governorate - $378,574.60 (Contractual): The project includes rehabilitation of approximately 1.6 km of road including asphalting work, construction of retaining walls, sidewalks and road shoulders. The project is at 2% completion.

24043-12-SW-SA028 Rehabilitation of Al Maniya main road, Bethlehem Governorate - $144,064.00 (Contractual): The project includes rehabilitation of approximately 1 km road including asphalting work, construction of retaining walls, sidewalks and road shoulders. The project is at 2% completion.

Chart 2: Infrastructure Types for FY12
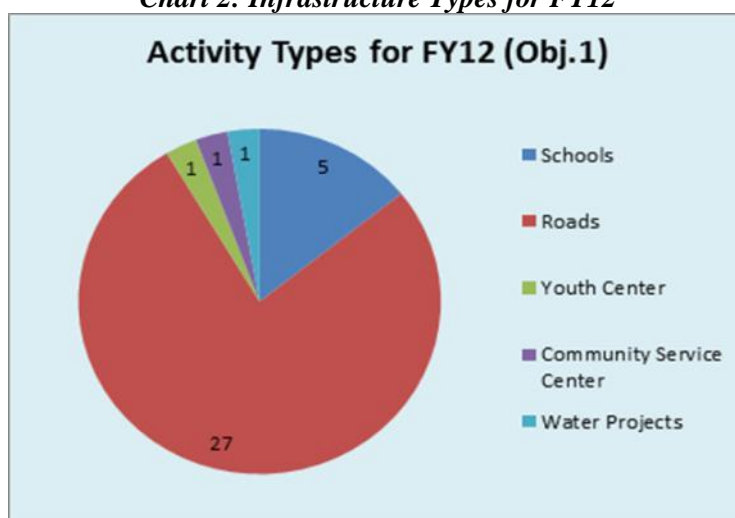
OBJECTIVE 2: Enhance the impact of USAID sector specific programs and priorities through the provision of high priority complementary infrastructure[14]

Table 5: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12
Number of infrastructure projects completed to complement the work under other USAID programs	11	5
Number of Palestinians benefiting from USG sponsored complementary infrastructure packages (female)		
Males	27,500	601
Females	27,500	511

Through this objective, LGI aims at enhancing the impact of other USAID programming and priorities in communities across the West Bank. These communities are identified on an ongoing basis by USAID in coordination with other implementing partners. A majority of the funding under this objective has been put towards high profile infrastructure project activities in Area C given the difficulty Palestinians in these areas face in accessing resources and basic services.

LGI worked in coordination with the Office of the Special Envoy to the Middle East Peace (SEMEP) and the Quartet Representative's Teams to receive permits to undertake projects in Area C. While this was, and continues to be a challenging process, the end result outweighs the hard work put in to receive the construction permits from the Israeli authorities.

The achieved targets under this objective witnessed a major dropdown due to the release of a large number of staff members; namely from the Design/Review Unit. Similarly, following the Congressional hold on funding, partner LGUs demonstrated some reservations in speeding up the preparations of projects designs as a result of their uncertainty in terms of available funding. Moreover, the rehiring of staff members and bringing a full team of Engineers took a while, which, in turn, affected the launching of work at full speed. It is worth mentioning though that objective 2 projects were not put to halt in comparison to objective 1 projects. All planned projects under this objective were either completed, closed or remain ongoing.

During this reporting period, LGI completed the construction/rehabilitation of five community infrastructure projects in Area C benefiting 1,112 people, of which 511 were females and 601 were males, providing approximately 10,776 days of employment as well as creating 245 temporary jobs. An additional three projects have been closed and three more are ongoing. In addition, LGI had three projects under design with allocated budget of approximately US$1,600,000[14].

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[14] For the list of projects under design, see Annex (13) – List of projects under design.

Projects completed this quarter:

Northern West Bank

24043-11-NW-SA022 Dhaher Al 'Abed Primary Coeducational School in Jenin Governorate – $450,363.70 (Contractual), $444,576.93 (Actual Total Cost) with $438,886.26 (USAID Contribution): The project included the construction of eight additional classrooms and a staircase adjacent to the current school building to accommodate all students in one building, two administrative rooms, two teacher's rooms, a science lab, a library, a canteen, a rest room for disabled students and a kindergarten. Three rooms were rehabilitated, namely one classroom, a computer lab and a social worker room. External works included asphalting of 2,300 square meters of playgrounds, with 668 square meters of fences and walls. In addition, 23 sanitary units were constructed/ renovated. The project created 79 temporary jobs, three permanent jobs and 6,616 job days. It also benefited 71 males and 63 females.

The project will have a clear impact on the community and the educational opportunities afforded to 1st-11th graders, once the New Year begins. The previous school only provided two classrooms, forcing students to co-locate in the same classrooms despite age and curriculum differences. The teacher would teach to one grade, assign them work, and begin teaching the next grade while the previous group was completing homework. Shifts would continue late into the day so all grades could attend class. Now the school can provide classes for each grade (1st – 11th) on a regular school day schedule. The project also improved the quality of the school by providing laboratories and a library, as well as a new court and play area for soccer, basketball, and other sports. During CHF's visit to the completed school in July, teachers also explained that prior to the new school being built, most teachers had requested from the Ministry of Education to be transferred to other schools. Now their school is one of the best, if not the best, in the surrounding area and they have rescinded their transfer requests. Lastly, the village council members CHF staff met also expressed their deep thanks for initiating and completing the school. Many of their local projects have been on hold because of difficulties in securing permits and approvals from Israeli authorities. All the students the team met with are extremely excited to begin the school year in the new school in September, 2012.

Central West Bank

24043-11-CW-SA010 Rehabilitation Works for 'Ein as Sultan Refugee Camp Social Youth Center in 'Ein as Sultan Refugee Camp, Jericho Governorate – $95,190.70 (Contractual), $91,447 (Total Actual Cost) $86,147 (USAID Contribution): This project included general maintenance for the club building including roof insulation, windows, doors, painting works, construction of a computer lab, and some external works including paving the playground and pathways. The project created 19 temporary jobs and 599 job days. It also benefited a total of 180 males and 95 females.

24043-12-CW-SA002 Rehabilitation works for the Four Homes of Mercy of the Arab Orthodox Society in Al 'Eizariya, Jerusalem Governorate - $91,917.80 (Original Contractual), $105,302.72 (Amended Contract), $107,784.47 (Total Actual Cost), $100,520.79 (USAID Contribution): This project included rehabilitation works for the men's ward, such as patient rooms; and painting works for the pharmacy, veranda, director's room and corridor. It also included the rehabilitation of all sanitary

units, window and door and replacements with aluminum, and construction of a shed. Amendment work was requested due to an urgent need to solve humidity problems in part of the walls adjacent to the bathrooms; the total area of rehabilitation is approximately 670 m^2. During this reporting period, the final payment was released to the contractor. The project created 57 temporary jobs and 669 job days, and benefited 65 males and 73 females.

The Four Homes of Mercy, a national non-profit charitable organization located in Al 'Eizariya Town, used to be called "Malja`a Madam Siksek". Founded by the late Mrs. Katherine Siksek 71 years ago, it is run by women and 13 board members. The Society provides necessary services to meet the needs of patients with severe and chronic disabilities resulting from nervous system disorders. The Society provides services to children from three years old up to old age, both males and females. The Society currently has 78 patients with severe disabilities, of which 25 are children and teenagers. It has 68 employees who work three shifts; mornings, afternoons and nights. The financial contribution of the patients' families covers only around 5% of the running expenses and therefore the Society depends mainly on donations/fundraising. This has led to challenges in maintaining the facilities and providing a healthy environment for the patients to heal. This need was brought to the attention of LGI by USAID who then initiated the much needed rehabilitation work on the home's premises.

As a result of LGI's intervention, board members, staff and residents have smiles on their faces, and gratitude in their voices. The sincere gratitude expressed as a result of the newly rehabilitated corridors of the Four Homes of Mercy was highly noticeable during program visits with USAID. The rehabilitation work undertaken by LGI will now allow the patients and staff of the society to live in a new and improved home.

LGI team, later on, held various visits to the residents of the Four Homes of Mercy, as part of LGI's strategy in maintaining close relationships with its beneficiaries. Several visits were held by members of the Youth Shadow Local Councils, an initiative created and led by CHF/WBG. Numerous activities were done jointly with challenged residents of the home. A unique case to mention is a relationship Abu Dis YSLC members managed to establish with one child, now 16 years old, who only finished 3rd grade as his mother later put him in the Four Homes of Mercy as she became unable to take care of him. Now, the YSLC members swap turns in visiting this child to tutor him through private voluntary lessons in various subjects.

Photo Caption: Corridor at the Four Homes of Mercy before Rehabilitation.

Photo Caption: Completed Corridor at the Four Homes of Mercy.

Due to the restrictions on construction work in Area C, the school was unable to build additional classrooms and secure a more dignified learning atmosphere for students. Therefore, when LGI conducted its first assessment of the school, it suggested building a third floor to solve the space problem. However, the request for a building permit was refused by the Israeli Civil Authority (ICA) based on an objection from the nearby illegal Israeli settlement of Ma'alie A'mous, as the school is located on a road used by settlers. The alternative suggestion was then approved, which included rehabilitation of the existing building that suffered from water damage and was uninhabitable in the winter due to lack of temperature control.

Students were happy about the changes. Basel, a male student at the school, said: "My feeling when entering the school has completely changed now, it as if I am going to a new school". If one visits the school and sees the before pictures, the changes brought about by the rehabilitation are tangible. The students now have the space to sit and study, play basketball in the front yard, and drink from clean water fountains. While the cost of the project was not in the millions, the impact it made on the lives of these students is recognizable.

Kefah, a female student at the school said: "The school is well arranged now. We have nice painted walls, new boards, and new doors. The overall atmosphere helps you to concentrate better on your studies". Izdehar, another female student pointed out that maintenance work reduced the humidity in the school, "Now I come to school without worrying about getting sick in the winter. We don't suffer any more from humidity or water leakage as we did before."

Southern West Bank

24043-11-SW-SA002 Al Maniya Co-Educational School in Bethlehem Governorate – $141,970.85 (Actual Total Cost), $141,970.85 (USAID Contribution): This project included rehabilitation works for the entire facility and grounds of the school site, such as renovating the internal kitchen and toilets, building a canteen, painting, tiling, doing electrical, aluminum and steel works, and installation of boards and wooden belts in the classrooms. External works include asphalting the playground layer, renovating the drinking fountain, fixing the safety guard rail and the entrance gate to the school, plastering boundary walls and fencing works, as well as installing an additional water tank, water pump and filter. The project

is complete, and has created 39 temporary jobs and 1,215 job days. It also benefitted a total of 189 males and 199 females.

Photo Caption: Al Bweib School before additional classrooms and renovation.

Photo Caption: Al Bweib School during additional classrooms and renovation.

Photo Caption: Al Bweib School after additional classrooms and renovation.

24043-11-SW-SA024 Completion of additional classrooms and renovation of Al Buweib Co-Educational School, Hebron Governorate - $180,209.30 (Original Contractual), $182,511.80 (Amended Contract) $171,578.21 (Actual Total Cost), $171,578.21 (USAID Contribution): This project included rehabilitation of external fences and boundary wall, construction of a canteen, construction of a new section for the first floor with three classrooms and a lab, and the rehabilitation of the administrative unit and a computer lab. The project created 51 temporary jobs and 1,677 job days, and benefited 96 males and 81 females.

Al Buweib is a Palestinian village in Yatta area located southeast of Hebron city. It is called Al Buweib because it was considered for a long time as a gate to the commercial roads and pilgrims from north to south of the Dead Sea).

The village has only one school. Established in the year 2000, the school consisted of nine classrooms: six of which were rooms in the village mosque, and the other three were rented rooms from one of the village residents. With such conditions, the school only served students until the ninth grade. To complete the rest of the school years, students had to commute to nearby villages and enroll in schools there.

LGI, with funding and support from USAID, completed the construction of three new classrooms in the school. LGI is currently undertaking additional works including the renovation of eight classrooms through another contract as reported under *contract # 24043-12-SW-SA032.*

The following projects under Objective 2 are **closed**[15]:

24043-11-SW-SA023 Construction of an additional floor and finishing works for Ad Deirat Co-Educational School, Hebron Governorate - $251,476.80 (Original Contractual), $321,744.66 (First Amended Contract), $382,164.93 (Second Amended Contract). This project includes the construction of an additional floor including three classrooms, a staircase, and a canteen in addition to finishing works for the first floor**.** An amendment was requested by USAID to provide additional impact through the construction of a concrete water tank for storm water collection and additional rehabilitation works for the existing building. A no cost extension was given to the contractor until 13 August, 2012, as the requested

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[15] "Closed" means the final payment is under process.

additional works delayed some of the planned external work. During this reporting period, the final payment is under process. The project is at 99% completion.

24043-12-WB-SA040 Procurement of hand painted ceramic for Ad Deirat Co-Educational School, Hebron Governorate - $4,500 (Contractual): This project includes supplying a hand painted ceramic mural and a metal stand for the preparation of the inauguration that took place on 8 September, 2012 in the presence of the USAID. The project is at 99% completion.

24043-12-SW-SA036 Installation of ceramic mural and guidance plaque in Ad Deirat Co-Educational School, Hebron Governorate - $2,392.16 (Contractual): This project included installation work for the ceramic mural and the stand in Ad Deirat Co-Educational School for the preparation of the inauguration that took place on 8 September, 2012 in the presence of the USAID. During this reporting period, the final payment is under process. The project is at 99% completion.

Below is a brief update on the progress of Objective 2 **on-going** projects:

24043-12-CW-SA007 Construction of three new floors for Salah Eddin Elementary Boys School 'Anata, Jerusalem Governorate - $367,724.7 (Original Contractual), $611,084.29 (Amended Contract): The project includes the construction of three new floors including six classrooms, sanitary units, a warehouse for books, a staircase, and construction of four additional classrooms in the existing school building. During this reporting period, plastering works for the first floor, tiling works for the ground floor and painting works are ongoing. Additionally, stone work and external works are ongoing. Amendment work was requested by USAID, specifically to remove the old building and construct a new one for sustainability purposes and for the project to be fully functional. A no cost extension was given to the contractor until 8 November, 2012 to implement additional work requested by the Ministry of Education (MOE) and USAID. The project is at 85% completion.


Photo Caption: Salah Eddin Elementary Boys School in 'Anata
Jerusalem Governorate during construction October 11 2012

24043-12-SW-SA018, Construction of two new floors and rehabilitation of Az Zeer Secondary School for Boys, Jannatah-Harmala, and Bethlehem Governorate – $503,912.57 (Contractual) $651,903.51 (Amended Contract): The work includes construction of a new building with six additional classrooms and rehabilitation of the existing building for Az Zeer Secondary School for Boys. During this reporting period, casting concrete work for the new building and rehabilitation works for the

existing building are ongoing. The amendment was requested by MoE to make the project as comprehensive as possible and to address unexpected technical engineering issues. Due to this additional works, the contract completion date was changed to 15 January, 2013. The project is at 37% completion.

24043-12-SW-SA032 Additional works for Al-Buweib Coeducational School, Hebron Governorate - $102,601 (Contractual): The project includes rehabilitation works for the old building for Al-Buweib Co-Educational School, including renovation of eight classrooms and sanitary units with some additional external works including renovation of the school playground and sunshade.. During this reporting period, rehabilitation works for the existing building are ongoing. Additionally, painting work for the sun shade is ongoing. The project is at 75% completion.

Chart 3: Infrastructure Activity Types for FY12
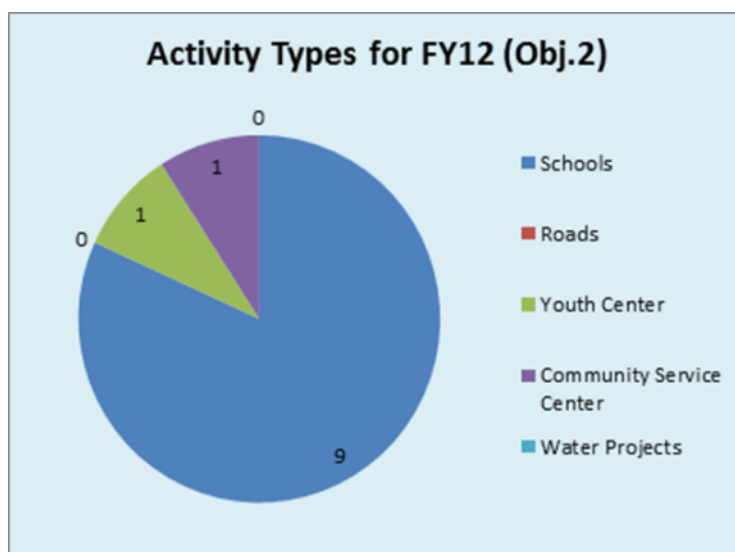
QUALITY and SAFETY of INFRASTRUCTURE PROJECTS

The Quality Assurance and Safety Officer (QAOS) has been intensively providing the necessary technical feedback and orientations to the LGI field team in northern, southern and central West Bank areas. This included all the on-going infrastructure projects being conducted under the LGI program since Jan, 2012, of which the QAOS has visited approximately 25 projects falling under objectives 1 and 2. The QAOS's major role is to ensure that CHF's systems for construction management are being applied as per the Construction Manual Practices and Procedures (CMP), throughout the infrastructure project cycle, by using the standard quality assurance and safety checklists and protocols. This has been done by discussing/communicating observations and findings to the infrastructure team and reporting to senior management any unresolved issues/cases for follow-up and decisions, ultimately leading to high quality infrastructure projects in accordance with international best practices.

Table 6: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12
Number of community members involved in community participatory processes	1,450	1,024
Number of initiatives that support citizens' engagement with their sub-national government entities and/or increase awareness and dialogue	29	8
Number of people who received USG-Assisted training, including management skills and fiscal management	246	320

Developing an effective, transparent, accountable and democratic local government is key to promoting good democratic governance practices as well as providing effective leadership for local communities. A good local government focuses on delivering results that improve the quality of life for its constituents, provide public services that meet standards and respond to the needs of its local people. In parallel, an effective local government necessitates the ability of consituents to be fully engaged within their system, not only through elections, but in the setting of priorities, in the design of public services and the decisions that affect those services. It requires constituents to be able to contribute to their aspired vision, identify needs, set priorities and understand how national and local government work. As such, enhancing the capacity of the local government staff, within their respective communities through democratic participation processes, is essential for improving public service delivery.

In terms of the table above, there is a clear gap between the planned and the achieved results under objective 3. This was due to the various reasons namely the Congressional hold on funding as well as LGI's continued modifications and revisiting of the original AIP. As per the amended program funding scenario, which was prepared by LGI during the first quarter of the year, and the substantial decrease in the number of staff, it was decided to mainly focus on training activities since they are short in duration and are clearly more visible. YSLCs were supported through small initiatives during the bridging phase in order to maintain their sustainability. Community participatory processes witnessed a major drawback due to limited staff members who were originally the implementers of the SDIP process.

During the first half of FY12, LGI identified 30 locations (includes two from rapid start, East Salfit and Yatta)[16] to be targeted as potential Centers of Governance Excellence (CGE). LGI developed a list of communities in consultation with the Ministry of Local Government and USAID. Selection criteria for these locations and the list of potential CGE locations are below:

- ✓ Successful track record of governance performance;
- ✓ Demonstrated commitment to promotion of moderate leadership;
- ✓ Quality of current services provided to citizens;
- ✓ Commitment to good governance practices;
- ✓ Commitment to participatory methods to achieve sustainable good governance;
- ✓ Demonstrated focus on innovation;
- ✓ Potential for external leveraging of resources;
- ✓ Geographic distribution;
- ✓ Ability to serve a broad range of constituents.

Parallel to LGI's interventions and support at the national level (Objective 4), LGI is undertaking interventions to meet the varied capacities of all targeted LGI partner vulnerable and CGE LGUs to enhance their capacity, further develop institutional structures and provide skills enhancement trainings to their local government staff, in addition to developing and institutionalizing tools and mechanisms to support citizen engagement in governance processes.

During FY12, despite the various challenges facing the program, including the U.S. Congressional hold on funds, LGI undertook program activities that enabled the program to continue to be seen as a key player in the local governance sector. Moreover, LGI worked in partnership with the Municipal Development and Lending Fund (MDLF) to raise the technical ability of partner LGUs in the area of financial management, in line with the methodologies adopted and rolled out by the MDLF; organize/support several summer camps held under the Youth Shadow Local Council (YSLC) initiative; and to roll out the SDIP methodology. More details on the governance activities are discussed below under the following components[17]:

- ➢ Component A: Community Planning
- ➢ Component B: Participatory Governance
- ➢ Component C: Institutional Development

3.1 Component A: Community Planning

3.1.1 Strategic Planning Process

Community planning supports communities to be dynamic, self-reliant and resilient. Through community planning, communities can participate in shaping their own future by applying the principles of accountability, effectiveness, efficiency and sustainability. Through this participatory method, communities will ensure that transparent processes and decisions are implemented in the public interest; management of assets and infrastructure are handled effectively; most importantly, communities are democratically engaged in their own local affairs.

Community planning is a comprehensive approach to strategic planning and represents a response to the gaps in other planning and decision models. Building on the strategic planning process implemented

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[16] 24 of these locations include sites previously targeted under the LDR Program; six locations were newly selected (Of these 30 locations, 2 are from the rapid start phase of the program- Yatta and East Salfit). For a detailed list of targeted communities in each location, refer to Annex (B)

[17] See Annex (4) for a status update on planned, ongoing, and completed governance activities by location and component.

previously under the Local Democratic Reform Program (LDR), LGI developed a modified Strategic Development and Investment Planning process (SDIP) based on lessons learned by CHF and other key stakeholders in the local governance sector. At the very core of the SDIP process are the principles of active community participation and maximizing limited community resources. Another key factor is the implementation mechanism used under the LGI program, whereby the strategic planning process is undertaken by the communities themselves rather than through a prior reliance on external consultants to carry out the work. Partner LGUs also receive various trainings and skills enhancement under LGI (Activity 3.3.5) to increase their awareness and adoption of good governance themes prior to being fully engaged in the SDIP process.

In addition, partner LGUs under the LGI program are a combination of vulnerable and potential CGE LGUs. While undertaking a complicated process like SDIP in smaller communities with limited capacity is challenging, LGI considers it an important step towards meeting the amalgamation vision of the MoLG.

During this reporting period, LGI continued working in partnership with the eight communities targeted during this fiscal year, namely Beit Sahur, Beit Jala, Salfit, Al Yamun, Abu Dis, Kafr Thulth, Tuqu' and Qaffin (both the latter are vulnerable LGUs). The below table summarizes the steps of the initial preparatory phase and the progress in each community:

Table 7: Stages for the Strategic Development and Investment Plan

SDIP Stages	Stage I				Stage II		Stage III		
LGU	Initiating the planning process[18]	Institutionalization of the Planning Process[19]			Community Profile & Status Reports[20]	Community Collective Vision[21]	Strategic Objectives for Development Themes[22]	Investment Plans[23]	M&E Plans[24]
		Key Stakeholders Committee	Community Strategic Planning Committee	Technical Committees					
Al Yamun	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kafr Thulth	✓	✓	✓	✓	✓	✓	✓	✓	✓
Qaffin	✓	✓	✓	✓	✓	✓	✓	✓	✓
Salfit	✓	✓	✓	✓	✓	✓	✓		
Abu Dis	✓	✓	✓	✓	✓	✓	✓	✓	✓
Beit Sahur	✓	✓	✓	✓	✓	✓	✓	✓	✓
Beit Jala	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tuqu'	✓	✓	✓	✓	✓	✓	✓	✓	✓

[18]This step involves reaching consensus among stakeholders on the goals and objectives of the planning process.
[19]This step involves the selection and formation of a number of committees such as the Key Stakeholders Committee, the Community Strategic Planning Committee and Technical Committees.
[20]This step involves identifying the community's developmental themes such as (health, education, infrastructure, local economic development, etc.). This data will be used to produce a Descriptive Report.
[21]This step involves developing a collective vision for each community.
[22]This step involves the formulation of the community's developmental strategic objectives for each theme.
[23] This step involves the development of investment plans based on the outcome of the previous step and include a list of projects that contribute to achieving the goals and objectives set in the SDIP
[24] This step involves the development of Key Performance Indicators (KPIs) to enable the LGU to monitor and evaluate the implementation of the SDIP.

As shown in the above chart, all eight target LGUs have completed Stages I and II, and seven of the eight completed Stage III as well.

To initiate the SDIP process, LGI team held an introductory meeting with the LGUs and key stakeholders within the communities. After achieving consensus on the goals and objectives of the planning process and roles and responsibilities of stakeholders involved, including the leading role of the LGU in the development of the SDIP for the community, LGI worked with the communities to select and form the various committees needed for the SDIP process. A total of eight Strategic Planning Committees were formed in partner LGUs. The committees, consisting of the Mayor, representatives from civil society, the private sector and the public sector, as well as community members and LGU staff, were responsible for managing and supervising the implementation of the overall planning process, and following up on the integration of the planning efforts at the local level with established regional and national planning mechanisms and processes.

Photo Caption: The First Strategic Planning Workshop in Beit Jala.

Photo Caption: Beit Sahur and Beit Jala Strategic Planning Committee
presenting accomplishment.

The LGI team, then, held a coordination meeting with representatives from the Municipal Development and Lending Fund (MDLF) and the MoLG to discuss the SDIP training workshop materials and presentations. Roles and responsibilities for facilitating the workshop were discussed, assigning training sessions for each member of the CHF and MoLG teams. Following that, the LGI team undertook, as per the SDIP process, orientation workshops for the Strategic Planning Committees to further clarify the SDIP process and particularly the committee's role in spearheading the process.

Photo Caption: Participants from Kufr Thulth, Qaffin and Al-Yamoun during the SDIP workshop at Haddad Village

Each LGU has formed three different types of committees responsible for managing and implementing the steps outlined in the SDIP methodology and process as follows:
- *The Key Stakeholders Committee*
- *The Community Core Strategic Planning Committee*
- *Technical Committees*

Furthermore, the preparation of the community profile and community Descriptive Report, as well as the communities' collective vision, have been finalized for the eight LGUs. This process involved meeting with the various committees to discuss and gather information on the current status of the community with regards to development issues and challenges associated with social services, land use and planning, institutional development, local economy, environment, public health, infrastructure, basic services, security, disaster management, culture, and sports. Accordingly, eight communities held their First Strategic Planning Workshops during which community developmental issues were identified and a collective community vision was developed.

Photo Caption: The Community Strategic Planning and technical committees revising the proposed developmental projects of Beit Sahur during the SDIP Second Community Planning Workshop in Beit Sahur on 23rd August, 2012.

First and Second Strategic Planning Workshops[25]:

During the First Strategic Planning workshops, LGUs discussed their Descriptive and Diagnostic reports; identified and reached consensus on their key developmental priorities and developed their collective visions. The Second Community Planning workshops focused on developing LGUs' Projects' Matrix and the Community's Investment Plan as per the first step of the third stage of the SDIP Manual. Coordinators from the Technical Committees' presented the main developmental issues, objectives, proposed projects and the detailed description of projects, based on the outcomes of several meetings held previously between the Community Strategic Planning Committee and the Technical Committees.

Details of the first and second strategic planning workshops conducted are below:

Table 8: First and Second Strategic Planning Workshops

First Strategic Planning Workshop				
LGU	Date	Number of Participants	Females	Males
Al-Yamun	5 April, 2012	44	5	39
Kufr Thulth	7 April, 2012	53	9	44
Qaffin	14 April, 2012	54	6	48
Tuqu'	27 June, 2012	42	8	34
Beit Jala	5 June, 2012	31	8	23
Beit Sahour	30 May, 2012	29	10	19
Abu Dis	3 April, 2012	34	7	27
Salfit	1 July, 2012	84	22	62
Total		**371**	**75**	**296**
Second Strategic Planning Workshop				
Al-Yamun	21 June, 2012	46	5	41
Kufr Thulth	23 June, 2012	41	7	34
Qaffin	30 June, 2012	40	7	33
Tuqu'	27 June, 2012	41	6	35
Beit Jala	9 August, 2012	23	5	18
Beit Sahour	23 August, 2012	19	9	10
Abu Dis	9 June, 2012	27	7	20
Salfit[26]	1 October, 2012	63	14	49
Total		**300**	**60**	**240**

The numbers above reveal a low percentage (less than 20%) in female participation. Please see the Gender Analysis and Integration Section for more information.

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[25]The first and second Community Strategic Planning workshops include members from three planning committees: Community Strategic Planning Committee, Technical Committee and Stakeholders Committee.
[26] Although Salfit's workshop took place during FY13, it has been added here for informative purposes only. The numbers are not reflected in the PMP achievements for FY12.

*Photo Caption: SDIP core strategic planning committee members on the SDIP methodology
from Salfit & Tuqu' on 5 & 6 September, 2012*

Prior to engaging in the SDIP process, LGI held six training workshops for the Strategic Planning Committees and Technical Committees to increase their awareness and adoption of good governance themes prior to being fully engaged in the SDIP process. For more details, see section Trainings and Skills Enhancement under LGI (Activity 3.3.5).

The Second Open Community Meetings were held in Al Yamun, Kafr Thulth and Qaffin on 15, 22 and 29 September 2012, respectively. The goal for this meeting was to present the main outputs of the Strategic Development Investment Plan (SDIP) as per the final steps of the SDIP manual, based on the outcomes of several meetings and workshops held among the Community Strategic Planning Committees and the Technical Committees and key Stakeholders Committees during FY12. During the meetings, the coordinator of Community Strategic Planning Committee presents the methodology, concepts, and the main outputs and steps of the SDIP, in addition to the developmental issues, strategic objectives, associated indicators, vision, developmental projects, sample of the detailed description of projects with required justifications, the spatial description for the projects and finally the implementation plan and the cost estimate spread over the upcoming four years.

A total of 150 Participants (including 16 LGU members; 24 females and 124 males); 152 participants (including 30 females and 122 males) and 110 participants (including 9 females and 101 males) attended the meetings in Al-Yamun, Kafr Thulth and Qaffin, respectively. Remaining LGUs will hold the Second Open Community Meetings by the end of November 2012.

Photo Caption: Discussion, questions and feedback from the local community during the Second Open Community

To complement the above interventions, there are additional steps needed (such as the provision of LCD projectors, laptops and stationary items) that would allow each SDIP Core Committee to continue on advocating the SDIP, including carrying out presentations to various CBOs in each locality on relevant thematic areas, health, agriculture, etc.; as well as progress on the SDIP versus planned key indicators and projects. As such, the LGI program initiated the procurements for the above items. The Request for Quotations were released; however, no company came forward with price quotations, while the quotations for laptops and LCD projectors have were opened on 9 August, 2012 and letters of awards will be released in October

3.1.2 Physical Planning

This activity will complement the SDIP process and is aimed to streamline the work currently being implemented by MoLG with regards to master and physical planning. The main aim of the physical planning process is to propose a framework for optimal physical infrastructure in the areas of public services, transport, economic activities, recreation and environmental protection. This activity will also focus on raising the capacity of partner LGUs[27] on physical/spatial planning components, international standards, national regulations, planning methodologies, tools and needed resources, required approvals and responsible entities, participatory approaches and basics of integrated development plans.

LGI held official meetings with MoLG's Urban Planning Directorate and the MDLF on 2 and 16 April, 2012 to discuss the proposed list of LGUs who need to develop their physical plans as well as develop the Terms of Reference in anticipation of the expected release of funds. Given the limited funding and resources, LGI in full coordination with MoLG selected a priority list of LGUs including:

1. Al Yamun, Jenin Governorate.
2. 'Aqraba, Nablus Governorate.
3. Beit Jala, Bethlehem Governorate.
4. Ar Ram, Jerusalem Governorate.
5. Bir Zeit, Ramallah Governorate.

The priority given to the above five partner LGUs was based on the current initiatives implemented by the MDLF, the prerequisite of the presence of SDIP in each targeted locality prior to initiating the physical planning process, and priority of areas in terms of finalizing their land usage plans and master planning processes as perceived by MoLG and other line ministries. Based on these factors, and following the

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[27]Final list of potential CGE LGUs will be determined in full coordination with MoLG, MDLF, and USAID.

revision undertaken by MoLG, LGI team finalized the Request for Proposals (RFP) to procure required external services. The RFP will be released in October 2012.

3.1.3 Community Planning (Vulnerable Communities)

LGI recognizes the need to undertake a participatory community planning and visioning process in all Objective 1 communities. While the SDIP is being undertaken in the larger potential Centers of Governance Excellence communities, the planning workshops are being implemented in the smaller vulnerable communities in which LGI introduces the goals and objectives of the program and facilitates project selection and prioritization. These planning workshops, undertaken in a participatory process as per the guidelines set forth in the SDIP methodologies adopted by the MoLG in September 2009, involve members of the village council, district and national-level line Ministries and community stakeholders.

What is the process for the Community Planning workshop?
The community planning workshop involves an asset mapping assessment to strategically look at local assets and the best way to maximize the use of local resources and the sustainability of LGI interventions. The mapping process for assets examines opportunities, challenges and the latest accomplishments of the community over the last three years. It is followed by a vision development exercise, identification of projects, and project prioritization. The fact that these workshops are attended by a variety of relevant stakeholders ensures that the infrastructure projects selected and prioritized are considered as an essential need by the community, guarantees inclusion in planning the community's future and ensures civic participation, ownership and engagement. These priorities are then described in an infrastructure package report submitted to USAID for review and approval.

During the first half of FY12, LGI completed the planning workshops in the 34 approved locations[28]. Of these, ten packages were approved during this year. As part of the work currently being implemented to finalize the remaining packages, LGI conducted field visits to all the above-mentioned locations to assess the proposed projects by the community. Out of the proposed packages, and based on consensus with the MoLG and other relevant line ministries, LGI and the LGU officials finalized the list of projects that are feasible and fall within the parameters of the LGI program[29]. Approximately 1,024 community members attended the community planning workshops in the 34 approved locations, including representatives from different ministries, LGU members, youth, and women.

It is worth mentioning here that all activities under this initiative have been finalized, except for the submission of three infrastructure packages, Beit Ta'mar, Yatta and Al-Walaja, for USAID approval.

3.2 Component B: Participatory Governance

3.2.1 Youth Shadow Local Councils

LGI is focusing on the youth constituency to engage them in the governance process through the Youth Shadow Local Councils (YSLC) , which was initiated under the USAID funded Local Democratic Reform program. The YSLCs, which facilitate youth engagement in their communities and involve them in LGU affairs, are a democratically elected youth body that mirrors the composition, functions, and roles of the LGU in its community.

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[28] There are actually a total of 37 locations approved by USAID, but three of these already have completed SDIPs so LGI only held meetings in these locations with the LGU to determine the infrastructure package from the SDIP.
[29] For more information on field visits and approved projects, refer to Objective 1 (*LGI and its work with vulnerable locations).*

During this year, the programmatic work planned under this activity had to be modified due to the challenges associated with the U.S. congressional funding hold. While the program's changes reduced the depth and scope of the activities, LGI ensured that the program did not lose the linkages with the already established YSLCs by holding regular meetings with the participating youth, continuously liaising with the national non-governmental organization working with the YSLC's across the West Bank.

LGI developed an alternative contingency plan and implementation approach for the bridging phase[30]. The revised approach relied heavily on in-house implementation and aimed to give coaching and support to existing YSLCs to sustain their momentum and activities. LGI undertook a needs assessment in the 12 YSLCs as well as the Hebron Pioneers Council to ensure the trainings implemented are practical to the lives of the youth in the YSLCs and are based on real needs (two YSLCs, Ar Ram and Beit Sahour, were suspended as a majority of the YSLC members were unable to fulfill the rights and obligations[31] as per the YSLC's by-laws. Hence, LGI formed a Steering Committee in Beit Sahour to maintain momentum until elections are held and involved the committee in the needs assessment that was conducted to identify training priorities by all YSLCs.

The needs assessment revealed that most YSLC members expressed interest in customized in-depth training on topics they felt were essential for their continued engagement in the YSLC project. Based on the training needs assessment, LGI initiated a series of customized trainings as part of the long-term objective to build the foundations of sustainability for these youth bodies, institutionalizing them as an integral part of the local government system.

The trainings focused on four main topics including:

1. Fundraising Strategies and Techniques: the training aimed to improve understanding and familiarity in key issues pertaining to fundraising, standard proposal outlines and procedures, in addition to important tips on formulating goals, objectives, outputs, and other essential components in a proposal.
2. Project Planning, Needs Assessment and Proposal Writing: The training aimed to deliver much needed skills to the participants, enhancing their ability to undertake structured planning exercises, conduct assessments of community needs, and improve their techniques in writing comprehensive proposals.
3. Presentation Skills: The training aimed to enable the youth to better communicate their achievements and upcoming activities with local organizations and the general public.
4. Public Relations and Social Networking: The training aimed to convey to participants the essentials of identifying the target audience, reaching out to them, and mechanisms of effectively communicating with the adequate tools and mechanisms.

The LGI team recognizes the importance of linking training to practical application; therefore, the trainings were supplemented with other interventions to sustain the YSLCs while also testing their learned skills and knowledge. LGI issued a Request for Proposals to solicit YSLC and Pioneer Council project proposals in either of the six priority areas:

- Raising awareness and understanding on essential issues facing the community, such as environmental protection, gender equality, youth challenges, etc.
- Advocacy campaigns that intend to positively influence the policies of decision-makers or certain social group behaviors.

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[30] The YSLCs were formed under the USAID implemented Local Democratic Reform program and have been carried over to the LGI program. They are Qalqiliya, 'Anabta, Salfit, Ar Ram, Taybeh, Jericho, Abu Dis, Beit Fajjar, Beit Sahour, Idhna and Halhul.
[31] These members were inactive either due to their enrollment in Tawjihi, their studying abroad or getting married.

- Outreach and inclusion activities that integrate otherwise marginalized segments of society in the social sphere.
- Initiatives that promote volunteerism.
- Programs that empower youth and build their capacity to become active citizens in their communities.
- Activities that promote youth participation in local government by integrating their voices in designing programs, adapting policies, and making decisions at the local level.

In response to the Request for Proposal (RFP) circulated among the YSLCs, LGI received eight proposed initiatives addressing various social issues. Proposals were evaluated and ranked upon a set of criteria to ensure the most relevant local initiatives are considered. Below is a summary of YSLCs main campaigns and initiatives:

'Anabta – Cultural Heritage Campaign: This initiative aimed to celebrate aspects of cultural significance. The YSLC established partnerships with local Community Based Organizations (CBOs) and various youth groups to promote the campaign. Various meetings were also held with the LGU to define practical steps during the implementation period. The campaign was officially launched on 26 April, 2012 with more than 100 participants representing the general public and community leaders, including the Mayor. The campaign featured a number of activities, including visits to local cultural sites, folklore performances, and a recital of poems and old Palestinian sayings.

Photo Caption: Sample murals produced by 'Anabta YSLC

Also, as part of the campaign, the YSLC members held two voluntary cleaning days in historical and archaeological sites in town. Additionally, the YSLC implemented another activity to recognize the cultural landmarks of their town. Five painting murals were conducted in cultural sites of 'Anabta led by the YSLC members and youth volunteers. These murals complemented the community volunteering and cleaning days implemented by the YSLCs during the course of the year.

In anticipation of their second round of elections in FY13, the YSLC held a Ramadan gathering for all YSLC members, General Assembly members, and youth volunteers in the town. The gathering aimed to

discuss future plans for the YSLC and means of expanding its services and outreach to all their community members.

Photo Caption: *'Anabta – Cultural Heritage Campaign*

'Illar – Environmental Campaign: This campaign aimed to enhance environmental awareness among youth and the general public. The idea originated while 'Illar YSLC female President was presiding as a "shadow" Mayor of 'Illar LGU. She noticed several public complaints about environmental issues affecting the community's quality of life. Accordingly, 'Illar YSLC held their first environmental and health awareness Fun Day on 1 May, 2012 with more than 1,000 children participating in this activity. In addition, the YSLC conducted various visits to local schools to educate children about the environment utilizing the Comic Book developed under LGI's Green Building Special Initiatives component.

Approximately 100 students participated in field visits held by the YSLC to the environmental departments at Al-Najah University in Nablus, the American University in Jenin and the landfill and waste processing site of Zahrat-al-Finjan. The goal was to spread awareness and share simple forms and techniques for material preservation and re-processing. The YSLC also hosted other YSLCs, as part of their outreach campaign, to promote environmental preservation. Key environmental messages and slogans were circulated during a Sports Day which saw more than 500 people participate in a soccer tournament and marathon race held in the community on 18 May, 2013.

Photo Caption: 'Illar YSLC during a Marathon Race held as part of 'Illar's outreach campaign.

On 2 July, the female President of the YSLC was handed over responsibilities as the "shadow" Mayor for 'Illar Municipality. For two months, Basha'er Othman became the Acting Mayor of 'Illar. On the same day, the YSLC held its environmental day which included painting a mural about nature, planting trees, and cleaning main sites in Illar as part of their campaign "'Illar, the City of Ten Thousand Roses." Also during the period, the 'Illar Sports Club submitted an application to the Palestine International Award for Excellence and Creativity held by Paltel Group Foundation every year. The award is based on competing in three specified categories:

1. The Exceptional Individual with a Special Need Category.
2. The Exceptional Project Category.
3. The Institutional Excellence Category.

The awardees for this year have not been announced yet.

Abu Dis – Community Beautification Campaign: This campaign aimed to enhance environmental awareness as well as enhancing the image of the town. It included planting trees, cleaning roads and painting main walls of the town. Other activities included holding a visit to the Four Homes of Mercy in 'Eizarieh on 30 June, 2012, which has also been rehabilitated under the LGI program. 15 YSLC members held a fun day for the benefit of people with disabilities residing in the home. Fun and group activities were held with the help of qualified entertainers who showed notable experience and understanding in how to deal with vulnerable populations. The YSLC held another community beautification activity during 19 – 21 July, 2012 with over 30 youth volunteers helping in the implementation. The initiative included community cleaning, tree planting, and wall painting. The 3-day initiative was well received by the LGU and community organizations. It also revived the YSLCs commitment to volunteerism, with a meeting held after the initiative to plan future activities for the benefit of their town.

Photo Caption: Abu Dis YSLC members during their visit to the Four Homes of Mercy in 'Eizarieh.

Jericho – Career Day Campaign: This campaign aimed to address a fundamental problem facing youth: unemployment. Two training days on employability skills were held on 12-13 July, 2012 through the career fair initiative by the Jericho YSLC. These training days aimed to provide fresh graduates and job seekers with basic skills on writing curriculum vitas, cover letters, conducting interviews, and presentation skills. Over 100 participants attended the trainings in preparation for the Career Fair the next day. On 14 July, 2012, the career fair was launched under the auspices of the governor with participation

of representatives from the private and public sectors, along with job seekers from the Jericho district. After encouraging speeches from the governor of Jericho, Mr. Majed Fityani, Padico Investment Executive Director, Mr. Samir Huleileh, and CHF Country Director, Ms. Lana Abu Hijleh, approximately 120 job seekers connected with about 15 local employers in the Jericho District.

Concurrently, the Jericho YSLC, in close coordination with the Ministry of Labor and the Jericho Directorate for Labor, developed a comprehensive database for new graduates from the Jericho area. This database includes names of graduates, age, academic major, areas of interest and most needed fields in the job market. The database will assist Jericho youth in finding jobs more easily and will introduce future graduates to the current market demands.

Photo Caption: A self-initiated workshop held by Jericho YSLC and Padico Holding with participation of the Governor and Mayors of Jericho.

Halhoul – Agricultural Campaign: This campaign was implemented in partnership with the Agriculture Union and other agriculture-oriented CBOs. It aimed to promote local agricultural products by allowing local farmers to sell their products and promoting a safe and healthy packaging for those products. Youth began their field visits to CBOs, started drafting a brochure, and printed/distributed a poster that raises awareness among community members regarding safe and healthy practices and nutritional facts.

Beit Fajjar – Activating the Role of CBOs Campaign: This campaign aimed to promote the role of Community Based Organizations (CBOs) in local community development, particularly through collective efforts with the local council and the community. The YSLC held various meetings with several CBOs as well as the LGU to explore possible means of engagement. One way was by organizing a soccer tournament bringing a number of teams representing five YSLCs and various local CBOs. While this event was held in order to build linkages within the community, it also served as an opportunity to reassemble and integrate YSLC exchanges. More than 300 people participated in this event.

Another Fun Day, attended by 80 participants, was held by the YSLC in partnership with the LGU's Social Services Department for the benefit of children and persons with disabilities. In addition, another Cleaning Day was held to engage representatives from local organizations.

Photo Caption: YSLC members leading a planting day and pavement painting in Beit Fajjar.

Beit Sahour – Beautification Day Campaign: This campaign aims to beautify the city by planting hundreds of trees in cooperation with the LGU, the Local Action Committee and other CBOs. The YSLC adopted this initiative after several discussions with the LGU and receiving the support of the majority of Council members. Youth in Beit Sahour have been quite influential since they began assuming an active role in the formulation of the SDIP (currently implemented by LGI under the Community Planning component). The big community beautification day titled "Together for a Green Beit Sahur" was held on 4 July, 2012.

Photo Caption: Beatification Day held in Beit Sahur.

Hebron Pioneers Council – Snapshots of Hebron Campaign: From 3 – 5 July, 2012, a photo exhibition and traditional performances were showcased in a cultural ceremony that aimed to highlight historical and cultural significance of Palestinian cities and villages. During the event, booths displayed hand-made products of cultural significance such as Palestinian embroidery, traditional glass, and local cuisine products. The event was held jointly with the municipality and its Child Happiness Center, and was attended by more than 1,500 individuals throughout the 3 days.

Educational Summer Camps

In an effort to empower the YSLCs during the bridging phase, LGI, leveraging support and cooperation from other key players, coordinated with the MDLF to hold educational summer camps for participants aged 12-15 who are just below the age of joining the YSLC. The MDLF is sponsoring similar learning centers in the cities of Qalqiliya, Idhna, and Taybeh. By leading interventions that reach out to this group, the YSLCs are expressing their interest in serving their community and reaching out to wider groups.

The anticipated summer camps will be held in Beit Fajjar, Halhul, 'Illar, and Jericho. The summer camps entail a 6-day educational program that is designed for the targeted participants aiming to promote their awareness and expand their creativity through using customized toolkits that teach them scientific and technological concepts in the fields of electronics and alternative energy. Beit Fajjar, Halhul, Illar, and Jericho YSLCs and municipalities handed over educational toolkits on technology and electronics (used during the educational summer camps held last July) to schools targeting students aged between 12-15 years. Jumbo Trading, the company who provided the educational toolkits, has volunteered and did maintenance for the equipment (parts, cleaning, defects, etc…) before distribution.

Photo caption: Bashaer the YSLC president and Mohammad Sharar from Illar municipality are handing over the educational toolkits

Approximately 50 people participated in the summer camp. They were divided into two groups. The summer camp exposed children to the following, among many:
1. Usage of the solar system.
2. Installation and mechanisms of electric motors.
3. Magnetic and non-magnetic materials.
4. The relationship between voltage and the intensity of the current.

Launching Phase III of the YSLC Initiative

An Expression of Interest (EoI) to seek a qualified implementing partner for the third phase[32] of the YSLC initiative was advertised in local newspapers in mid-May 2012. The third phase aims to continue supporting existing YSLCs by promoting their capacity building, sponsoring their community initiatives and instituting democratic elections for YSLCs that ended their two-year term. The new phase intends to democratically form six new YSLCs in LGI partner LGUs, both potential Centers of Governance Excellence (CGEs) and vulnerable communities. A number of Civil Society Organizations (CSOs) responded to the EoI and were evaluated by the LGI team. Two organizations were deemed responsive and qualified for the next step of the bidding process; they are: Sharek Youth Forum and Juhoud for Community and Rural Development.

As such, A Request for Applications (RFA) was released on 31 July, 2012 to the two shortlisted organizations. The RFA was designed to solicit methodologies and work plans that candidate organizations suggest to incorporate in the 3rd phase, highlighting innovative approaches to expand and further solidify the YSLC model in the local government sector. Following the evaluation of the two proposals, the evaluation committee completed its draft report for the third phase of the Youth Shadow Local Councils initiative announcing Sharek Youth Forum as the winning bidder. Upon CHF's compliance department's clearance of the evaluation report, a pre-award assessment will be conducted to the selected organization in order to identify its administrative and financial capacity. Once completed, negotiations will be held with the potential partner to address issues and shortcomings in their proposed methodologies and work plans. It is expected that the sub-grant will be signed with the potential CSO partner during the first quarter of FY13.

Meanwhile, coordination meetings were held with Sharek Youth Forum, the implementing partner of YS-LCs in Phase II of the LDR program, to avoid any overlap, duplication, or waste of effort in sustaining the YSLCs. Sharek Youth Forum is currently supporting the YSLCs in developing their quarterly plans that include the major community initiatives to be implemented in the coming months. Through LGI, a number of these initiatives will be supported in each YSLC to bolster their presence in the community and support their drive towards sustainability in the near future.

3.2.2 Development of Tools and Mechanisms for Civic Engagement

LGI is working jointly with the MoLG to institutionalize citizen participation in the LGUs and build the capacity of its Directorates to oversee the status of civic engagement activities in the LGUs. Originally, nine LGUs were targeted under this activity. However, due to the Congressional Hold on funding, the number was reduced to four ('Attil, Bir Zeit, Beit Jala, and Halhul – determined in consultation with MoLG). The activity aims to develop quarterly civic engagement plans at certain LGUs with the input and feedback guaranteed from Ministry Directorates. The Civic Engagement policy paper, developed under LDR, will be used as the basis for developing the quarterly plans, which outline key areas where the LGU intends to involve the public.

During the first half of FY12, a workshop was held in partnership with MoLG, the 4 LGUs and relevant MoLG Directorates, to provide an overview of the intervention and further clarify the steps and guidelines of developing the plans. Attended by 35 people, the workshop introduced the mechanisms of conducting the quarterly plans, sectors represented, and means of follow up. A standard format for the quarterly plans was presented, drawing suggestions, remarks, and recommendations from partner LGUs on the format. The workshop concluded with the decision to form community representative bodies that will act as a

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[32]Phases I and II were previously implemented under the Local Democratic Reform Program-LDR.

liaison between the LGU and the citizens, with the aim of developing the quarterly plans and activities related to these plans (which would be sponsored in part by LGI).

As such, the LGUs of Bir Zeit and 'Attil formed the community representative body or task force in their communities consisting of 40 and 50 members respectively. However, the activities under this initiative came to a halt for a few weeks due to delays from the MoLG and were only reinitiated with a workshop held in Bir Zeit. The workshop aimed to discuss the specific community participation and mechanisms favored by the community along with identifying the communities' preferred means of communication with their LGU.

3.2.3 Promoting Coordination and Cooperation between Local Councils and Community Based Organizations (CBO) – Grants to CBOs

This activity seeks to build positive relationships and partnerships between LGUs and CBOs through jointly carrying out initiative that reach out to the public, particularly youth, women and other marginalized groups. The program will target two Objective 1 communities, including Hebron Pioneers Council and 'Illar YSLC.

This year, LGI started preparations for carrying out community outreach activities by issuing sub-grants to the two CBOs who are implementing the Hebron Pioneers Council and the 'Illar local YSLC, the Palestinian Association for Child Arts and 'Illar Sports Club, respectively. Both partnerships were launched during the last year of LDR also funded by USAID to experiment with various models for the development and implementation of YSLCs. In the model used in Hebron and 'Illar, CHF tested the idea of CBOs supporting YSLCs instead of a national level organization. In both cases, the intervention proved effective, and both local organizations were highly successful in supporting these youth initiatives in their communities. As a result, CHF continued to build on this partnership and support a local model for YSLC development. Again, and due to Funding hold and the reduced number of staff, this activity is expected to be rolled out during the first quarter of FY13:

- **Illar Initiative:** Anticipating launching the second phase of the local-model Youth Shadow Local Council in 'Illar, an official letter was sent to the LGU requesting their nomination for a number of active CBOs in the community. Based on the received letter, LGI sent a Request for Applications (RFA) to three CBOs in Illar soliciting their ideas, methodologies, and work plans to support the Illar initiative. Two applications were received 'Illar Sports Club and 'Illar Charitable Association. Combined technical and financial evaluation is ongoing; once selected, a pre-award assessment will be held with the top candidate organization.

- **Hebron Initiative:** A meeting was held with the head of the Child Happiness Center administered by the Hebron LGU to get their feedback on the initiative in Hebron and update them on the status of the second phase. Following the meeting, Hebron municipality sent three recommended CBOs. Accordingly, LGI team released a Request for Application (RFA). The deadline is due the first quarter of FY13.

3.3 Component C: Institutional Development

3.3.1 Municipal Capacity Index (MCI)

LGI is working in partnership with the MoLG and MDLF to develop a tool for assessing changes in municipal capacity and performance in the areas of community engagement, administration and budgeting, among other areas. The goal is for this tool to be used as a potential national instrument and to advocate its use to inform the national decision-making process with regards to allocation and fair distribution of resources and technical capacity building packages to LGUs in the West Bank.

Due to the Congressional Hold on funding, this activity was put on hold for the first three quarters of FY12. During the last quarter of this year and following the release of funding and the resumption of original activities, LGI team continued working on the development of "pool of indicators" and key performance indicators, based on which specific indicators will be later developed to cover each of the nine core competency areas identified in the Centers of Governance Model. Core competencies include: vision and strategy, people management, communication, planning and review, innovation and change, service management, resource management, citizen participation and alliance building and networking. Moreover, In the first quarter of FY13, LGI will hire a consultant to support the development of the MCI and develop its pool of indicators. By the third quarter of FY13, LGI will have baseline data (index scores) for each targeted CGE.

3.3.2 Automation of Municipal Service Delivery

LGI, building on the successes of automating municipal services under the previous LDR program, continued the development of Citizen Service Centers and the deployment of Electronic Document and Record Management Information System (EDRMS). Originally, LGI identified eight LGUs[33] and began developing their concepts and layout for their proposed CSCs. However, during the Congressional Funding hold period, LGI had to reduce the number of targeted LGUs to only one, which is Adh Dhahiriya CSC, Hebron Governorate. This was done in full coordination and consultation with MoLG.

This year, LGI finalized the layout design and the initiation of physical construction, and continued supporting the Adh Dhahiriya task force in constructing and adjusting workflow and processes for a Citizen Service Center (CSC). This task force was established by the Mayor, and is headed by the Municipal Director or by the Head of Public Relations in case of the Municipal Director's absence. Members include heads of municipal departments (Engineering, Health, IT, Finance, etc.).

Meanwhile, LGI is finalizing the Terms of Reference (ToR) for the EDRMS taking into consideration compliance level requirements in line with the needs of the CSC in Adh Dhahiriya and the conducted analysis. The procurement process will be initiated during the upcoming reporting period.

In terms of IT equipment, LGI team will instruct the supplier to begin the installation and operationalization early November, while office furniture has been delivered already.

Apart from Adh Dhahiriya, LGI identified additional potential target locations to benefit from the CSC intervention. LGI, working in tandem with the LGUs' engineering team, is currently working on the concept development and draft layout design for three LGUs including Beit Fajjar, Al Yamun and 'Anabta. 'Illar Customer Service Center (CSC) is ready for tendering. In 'Azzun, LGI is still in the process of identifying a new location for the CSC as the previous one did not respond to the EDRMS functional requirements.

3.3.3 E-Municipality

In line with the objectives set by LGI, this initiative will aim to facilitate the process of further developing a number of five to six potential CGE LGUs to become fully functional e-municipalities. As a result, they will be capable of providing a wide range of services online for citizens and other relevant stakeholders, as well as optimizing and automating their internal and external business processes to ensure maximum efficiency in delivering public services.

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[33]LGUs include Ad Dhariyeh, 'Ezariyeh, Beit Fajjar, Beit Ummar, Al Yamun, 'Anabta, 'Illar and 'Azzoun.

In anticipation of launching this activity following the approval of the final AIP, and given that the first step towards achieving e-municipalities is the establishment of the Citizen Service Centers and the automation of municipal services-of which CHF has established 13 under its LDR program and continues to establish more under LGI, LGI's team attended the First International E-Municipality Conference held in Hebron on 25 - 26 June, 2012. The conference introduced to participants different models and experiences from different countries such as South Korea, Jordan, Morocco, Tunisia, Egypt, Yemen, Iraq, France, and others. During the conference, participants identified challenges facing the reality of the local context at various levels. For example, the conference presented the existing state of affairs at the Palestinian National Authority, the MoLG, Line Ministries, as well as the basic requirements to move towards e-government, such as upgrading the infrastructure, having the necessary legal framework and human capital (technical capacities.)

During the last day of the conference, participants recommended the formation of a committee to propose legislation and regulations in an attempt to resolve the main challenges, including the legal framework, upgrading the infrastructure, streamlining of services procedures, security of information and the cultural aspect in terms of shifting from paper-based to electronic-based transactions. In addition, MoLG and the Telecommunication and Information Technology Ministry were assigned to find mechanisms for the process of linking E-municipality and E-government.

In parallel to the above, LGI attended the first conference on Governance and E-Services held at Bir Zeit University on 27 June, 2012. Organized by Sina Institute for Knowledge Engineering and Arabic Technology, the conference aimed to open a serious and professional dialogue and discussion for the issues related to e-Governance in general, and the e-Government services in particular. It was attended by Dr. Salam Fayyad, Prime Minister, as well as representatives from various Line Ministries, local institutions, students, IT sector, and others.

The conference addressed various challenges that have been discussed earlier during the conference on E-Municipalities. Main themes and discussion points included best practices in secure delivery of online government services, the importance of reaching a political consensus in terms of implementing this service and elements of e-government framework. Several ministries presented their current achievements in terms of their readiness to implement this service.

During the last quarter of FY12, LGI team initiated discussions with MoLG on the development of a National Steering Committee and related action plan for the implementation of this initiative. A meeting is scheduled during the next reporting to finalize agreements on the National Steering Committee and steps forward, including the possibility of holding a workshop with all main stakeholders in the process, most importantly the Ministry of Telecommunications, to announce members of the National Steering Committee and develop the action plan for the initiative. It is worth mentioning at this stage that the Prime Minister's Office has released instructions to MDLF and MoLG to lead the development of E-municipality initiative in the West Bank.

The above discussions and coordination with MoLG was also done in parallel, with individual meetings and consultation with the Ministry of Telecommunications and academia (mainly Bir Zeit University), on possibilities of leveraging the work already implemented by the Ministry of Telecommunications in development of the E-Government concept.

3.3.4 Business Restructuring and Re-engineering of Work Processes

LGI is supporting partner LGUs (both CGEs and vulnerable communties) in redesigning their internal management structure, processes and wok flow to help them accommodate and sustain the introduction of new interventions such as the CSCs, E-Municipality and EDRMS.

This year, as a result of the limited funding, LGI worked in coordination with the MoLG and MDLF to identify eight of LGUs to benefit from this initiative, namely Qalqiliya, Salfit, Tubas, 'Attil, Beit Sahur, Halhul, Yatta and Adh Dhahiriya. The selection was based on various criteria such the size of the LGU and the needs on the ground. LGI began the first stage of the assignment (identification, assessment, and prioritization of current processes in all departments) by documenting the as-is processes and workflow in each LGU. However, due to the funding hold and the need to change the scope of the assignment to meet new targets, LGI revisited the ToR and released a new EOI for the initiative. In addition, LGI continued the identification of an additional LGUs to benefit from this initiative during the life of the program.

During the course of the year, LGI continued the assessment stage in eight targeted LGUs (Salfit, Beit Sahur, Yatta, Qalqiliya, Tubas, 'Attil, Halhul, and Adh Dhahiriya) and finalized the prioritization for required changes to current (as-is) processes with various departments in each targeted LGU (assessment phase). Moreover, LGI released an Expression of Interest (EoI) for individual consultancy services to provide technical support in implementing the first step of the above initiative, as well as the development of Municipal Strategic Corporate Plans (MSCPs) in potential CGEs during the period of July-December 2012. (The MSCP focuses on the enhancement of the LGU as an institution and its ability to implement the SDIPs created with community engagement.) Implementation phases include the following:

- ➢ Assessment/Analysis Phase:
  - ✓ Development of Assessment methodology/toolkit for conducting required institutional and programmatic assessments. LGI team will use this methodology/toolkit to conduct required assessments and analysis.
  - ✓ Review relevant assessment reports that will be prepared by the LGI team and targeted LGUs for finalization.
- ➢ Strategy Formulation Phase:
  - ✓ Development of guidelines/toolkit for strategy development phase, including detailed outlined steps for strategy formulation and related deliverables.
  - ✓ Review and finalize final MSCP documents that will be prepared by the LGI team and targeted LGUs.

LGI received eleven EoIs from individual consultants. An evaluation committee finalized its evaluation report and selected the most responsive bidder. Additionally, LGI team finalized the preparation of the assessment toolkit which will be utilized during the assessment stage related to the development of Municipal Strategic Corporate Plans in partner LGUs. A simulation for the assessment tool will be conducted, with preparation of the final version of the assessment toolkit to be finalized for rolling out in remaining targeted LGUs immediately by the second quarter of FY13.

3.3.5 Development of Procurement process/manuals

As part of its aim of improving the efficiency, accountability and effectiveness of LGUs, LGI is working on developing internal procurement processes and related documents for a number of partner LGUs. The procurement manuals will be customized for each LGU, taking into consideration differences between target municipalities in terms of size, classification, scope of work, available human resources, size of procured services and commodities, work flow, and institutional capacity.

During the first quarter of FY12, LGI finalized the criteria for selecting the LGUs which includes: the size of the LGU (priority was given to medium sized LGUs); whether or not the LGU was amalgamated, with priority given to amalgamated bodies; ability to benefit from the provision of the software; and geographic distribution. The initial list included 11 LGUs.

Unfortunately, this activity had been put on hold due to the Congressional Hold on funding. Due to the level of dependency of this activity on the outcomes of other initiatives implemented under LGI, such as the provision of Financial Management Systems, Business Restructuring and Re-engineering, and due to the extensive process to be implemented in each targeted LGU to develop their procurement system, LGI will aim at finalizing this activity in three LGUs by the first quarter of FY13.

3.3.6 Human Resources Management System

This activity aims at providing a total of potential Centers of Governance Excellence LGUs with an automated Human Resource and Payroll Management Information Solution (HRMS) to improve their HR operations. This will ultimately assist in improving HR responsiveness, accuracy and control of related functions, and integrate the payroll system with financial management systems currently rolled out by the MDLF (the unified financial system) and other relevant policies adopted by the MoLG.

During the third quarter of FY12, LGI began working on the selection of potential targeted LGUs to benefit from this initiative, and the development of their selection criteria. Based on discussions with MDLF and recommendations received from MoLG, LGI team will finalize the final list of nine LGUs to benefit from this activity following the results of the elections and the appointment of new council members. However, the first draft for the technical Terms of Reference (ToR) for consultancy services for the development of the Human Resources Management Systems in partner LGUs is currently being prepared and should be ready for sharing with MDLF and MoLG during the second week of October 2012. The ToR including the Request for Proposals (RFP) will be finalized following the elections, with selection of service providers to be completed towards the end of November 2012. To ensure that LGI manages to finalize the assignment as previously scheduled, LGI team will also release a second RFP for the procurement of consultancy services to provide and operate the required automated HRMIS system during the same period.

3.3.7 Financial Management Packages

This intervention is an important step towards increasing transparency and accuracy as well as in reducing the time and effort in processing financial transactions. The end result will enhance the capapcity of partner LGUs in terms of internal and external requests coming from other departments and citizens.

During the first half of FY 2012, LGI worked in full coordination with the MDLF to identify potential CGE LGUs that may benefit from this intervention. Based on the previous discussions and analysis of available resources (due to the Congressional Hold on funding) and LGU readiness, MDLF and LGI selected three LGUs ('Aqqraba, Halhoul, and 'Attil) that did not undergo the Fixed Assets Registration and Valuation Mapping[34] with the MDLF, to benefit from this activity under the above initiative. Accordingly, a procurement process for solicitation of a service provider was initiated during the second quarter of FY 2012, and a local consulting firm was contracted by LGI in March 2012.

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[34] The Fixed Assets Registration and Valuation Mapping is a requirement set by MDLF and is considered an important requirement for the LGU to register its fixed assets in its financial books according to the recently adopted Fiscal Policy by MoLG. Without this step, targeted LGUs cannot fully implement the unified financial system currently rolled out by MDLF and its proposed chart of accounts, or the principle of fund accounting based on which the later system built around.

With this step completed, the following activities have been successfully finalized as originally planned, and in line with the methodology adopted and rolled out by the MDLF:

➢ Project mobilization phase.
➢ Orientation meetings targeting LGU staff on the Fixed Assets Registration and Valuation (FARV) methodology adopted by MDLF.
➢ Project inception report.
➢ Primary visits to collect data on current fixed assets in each targeted community.
➢ Data entry (Phase I) for current fixed assets.

Following the completion of the Data Registration Phase of the Fixed Assets Registration and Valuation assignment in all three targeted LGUs, LGI continued working on the physical site inspections and started the valuation phase of this assignment. This was done to determine and estimate the year of acquisition of registered fixed assets to ensure they are in line with the useful estimated life.

Table 9: Fixed Assets Registration and Valuation Status per LGU

Assets Type	'Attil Municipality	'Aqqraba Municipality	Halhul Municipality
Roads	100%	100%	100%
Water Systems	100%	N/A	100%
Wastewater Systems	100%	N/A	N/A
Electrical Systems	100%	100%	100%
Social Assets	100%	100%	100%
Heritage Assets	N/A	100%	100%
Investment Assets	100%	N/A	100%
Building	100%	100%	100%
Schools	100%	100%	100%
Vehicle	100%	100%	100%
IT Assets	100%	100%	100%
Retaining Walls	100%	100%	100%
Roads Signs	N/A	N/A	100%
Furniture	100%	100%	100%
Culverts	100%	100%	100%
Lands	100%	100%	100%
Total	**100%**	**100%**	**100%**

LGI submitted the draft Fixed Assets Valuation Schedule and Forms to targeted LGUs for review/approval. The three target LGUs commented on the draft reports. Comments were reviewed by the consulting firm (ARABTECH JARDANEH) and feedback was sent to LGUs. LGUs submitted their final approval on the draft (FARV) reports, which were shared with the MDLF and the reports were considered final as of the end of July 2012. The consulting firm also implemented the last task under this assignment which was providing training for related LGU staff on maintaining and updating their Fixed Assets registers using the applied methodology[35].

3.3.8 Internal Audit Departments Established

The internal audit/control function is not part of the institutional set up for the overwhelming majority of LGUs. However, given the importance of this function in enhancing transparency and accountability, and the fact that it is detailed as a recommendation in the MoLG adopted policy paper on Guiding and Monitoring LGU Affairs, LGI will involve Objective 1 LGUs in developing the concept of the internal

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[35] Refer to Activity 3.3.10 (Training and Skills Enhancement).

audit function. Part of the deliverable will also be to reach a consensus with partner LGUs on the methods of institutionalizing this vital function within each targeted LGU.

Despite the fact that LGI has postponed the work on this initiative until FY14, discussions are currently taking place between MoLG and LGI team on the possibility of initiating work on this initiative following the elections. Undertaking this activity will be confirmed with MoLG following LGI's revision of its current program budget, and coordination with USAID since this activity is not part of the AIP for FY2012-FY2013. Scenarios will be developed and shared accordingly.

3.3.10 Training and Skills Enhancement

Activities under this intervention are linked across all the objectives, allowing LGI to position itself as a knowledge and skills generator at the national government, district and local government and community level. Trainings include those given under the other interventions within the program, such as those imparted to the YSLCs, but also stand-alone training necessary to allow certain program interventions to succeed, such as the Strategic Planning training for the SDIP intervention (activity 3.1.1).
This year, LGI delivered a total of 12 trainings, given to 109 YSLC members (already mentioned under activity 3.2.1).

Training Evaluation Analysis:

The four training topics were held in three regions (36% from the North; 26% from the Middle and 37% from the South) and included the 12 YSLCs. A total of 109 youth (individuals) including 44 females attended the trainings. Feedback was provided via an evaluation form completed by participants with a total of 108 youth respondents. The results of the trainings on the four topics revealed that the quality of training was considered high by participants. The lowest marks were given for the training time and organization; however, these marks were also still positive overall. Specific feedback includes the following:

Public Relations training for YSLCs at Hebron   *Public Relations training for YSLCs at Nablus*

YSLC Trainings:

Feedback on TRAINING COURSE:
1. All participants that used the training evaluation form mentioned that training is necessary and important.
2. 95% agreed that the training suits their training needs.
3. 97% agreed that training helps and contributes to the development of his/her performance.
4. 86% agreed that the training subject came at the right time.

Feedback on TRAINING MATERIAL:
1. 90% agreed that the topic raised comprehensive training.
2. 91% agreed that the training material covers the needs of trainees.
3. 91% agreed that the training materials were organized and sequential.
4. 84% agreed that the training material was directly related to the work of trainees.

Feedback on the TRAINER:
1. 98% agreed that they are familiar with the training subject-matter.
2. 93% agreed that training preparation is very good.
3. 94% agreed that the degree of involvement of trainees in the training is high.
4. 94% agreed that the trainer is committed to a training agenda.
5. 90% agreed that the trainer delivered the training material in an easy and convincing manner.
6. 95% agreed that trainer accept different viewpoints of trainees.
7. 88% agreed that the trainer was able to connect theoretical material with real life through the use of exercises and examples

Feedback on TRAINING TIME:
1. 79% agreed that training hours fit training material.
2. 76% agreed that period and number of breaks are very good.
3. 85% agreed that training distribution of time is very good.
4. 80% agreed that training hours appropriate to cover material.

Feedback on the TRAINING PLACE:
1. 92% agreed that the training place commensurate with the number of trainees.
2. 85% agreed that the training place easily accessible.
3. 87% agreed that the training place provides the basic hardware for training.

Feedback on TRAINING IN GENERAL:
1. 95% agreed that the training conducted was according to the agenda.
2. 91% agreed that the training was orderly and programmed.

Cost Analysis Training

As part of a series of trainings in Financial Management, the first workshop was held on the topic of Cost-Benefit Analysis on 18 – 19 September, 2012. The two-day training provided advanced techniques for LGU members in evaluating the costs associated with services provided by the LGU, including electricity, water, waste collection, and other basic services. Overall, 22 participants including three female members attended this training, representing 17 LGUs across the West Bank. The training workshop included theoretical and practical exercises focusing on actual case studies from the LGU daily work. It is expected that the LGUstaff will benefit from this workshop by marking their costs for the offered services more accurately and effectively. The financial management package will also include two more training workshops on the topics of budgeting and financial audits.

Feedback was provided via an evaluation form completed by participants. All 22 participants completed the form and responses have been analyzed. The results of the trainings on the four topics revealed the following:

Photo Caption: Two-day workshop on Cost-Benefit Analysis held with the participation of 17 LGU staff members on 18 - 19 September 2012

Training Evaluation Analysis:

Feedback on TRAINING:
1. 100% agreed that they intend to use what they have learned in their work.
2. 100% agreed that training materials were useful.
3. 100% agreed that the training program was sufficient in accomplishing its stated objectives.
4. 100% agreed that facilitators were knowledgeable about the topic.

Feedback on the TRAINER:
1. 100% agreed that facilitators were well prepared for the session.
2. 100% agreed that facilitators encouraged active participation.
3. 100% agreed that facilitators answered questions in a complete and clear manner.
4. 100% agreed that facilitators used variety of training methods.
5. 96% agreed facilitators were considerate in terms of the different levels of skills and values among participants.

Strategic Planning:

During this reporting period, in relation to the implementation of the SDIP process in partner communities and the sustainability of the community planning processes implemented by LGI, the LGI team held a series of six trainings on the Strategic Planning process for participants from the core Strategic Planning and Technical Committees from four partner LGUs.

The training itself provided an opportunity for the various SDIP committee members to learn the SDIP methodology and its tools, with the aim of eventually enabling them to implement the steps of the SDIP without external consultancy services. This approach will enhance the capacity and leadership skills of local community members and LGU staff in the implementation of community planning processes, and

will greatly enhance the sustainability of planning processes currently adopted by MoLG and LGI as well as other donors working in the sector.

A total of 189 individuals attended the trainings from Abu Dis, Kafr Thulth, Qaffin, Beit Jala, Beit Sahour, Salfit, Al Yamun and Tuqu'.

Table 10: Strategic Planning Trainings

Training Workshops	Participating LGUs	Dates	Number of Individuals	Males	Females
1	Salfit, Abu Dis and Tuqu'	28 – 29 December, 2012	27	25	2
2	Al-Yamun, Kufr Thulth and Qaffin	28 – 29 December, 2012	39	34	5
3	Beit Jala and Beit Sahour	7 – 8 February, 2012	30	21	9
4	Al-Yamun, Kufr Thulth, Qaffin, Abu Dis	9 – 10 May, 2012	36	29	7
5	Beit Sahour and Beit Jala	25 – 26 June, 2012	30	16	14
6	Salfit and Tuqu'	5 – 6 September, 2012	27	24	3
Total			189	149	40

Training Evaluation Analysis:

Feedback was provided through an evaluation form completed by a total number of 194 participants. The difference in numbers between the total trainees and total respondents is due to the fact that occasionally, MoLG or MDLF representatives attend the trainings for monitoring purposes; however, they are not counted as trainees. . The evaluation responses regarding the six trainings on SDIP were analyzed and revealed the following:

Feedback on TRAINING:
1. 93% agreed that each of session stated the objectives clearly.
2. 96% strongly agreed that there was sufficient opportunity for interactive participation.
3. 94% agreed that training experience will be useful in his\her work.
4. 91% said that they got most of their questions answered during the training.
5. 95% said that the materials for the training were helpful.
6. 94% of participants agreed that the handouts provided were helpful

Feedback on TRAINER:
1. 99% agreed that the facilitators were knowledgeable about the topic.
2. 99% agreed that the facilitators were well prepared for the session.
3. 97% agreed that facilitators encouraged active participation.
4. 97% agreed that the facilitators answered questions in a complete and clear manner.
5. 91% agreed that the facilitators used variety of training methods.
6. 91% agreed that the facilitators were respectful of the different skills and values presented by the participants.

Feedback on TRAINING ENVIRONMENT:
1. 82% agreed that the meeting room and related facilities provided a comfortable setting for the training.
2. 83% agreed that the location for the training was convenient for them.
3. 83% agreed that the refreshments and food provided were of good quality.

4. 92% agreed that the tools and equipment during sessions worked well.
5. 78% agreed that the sessions lasted about the right amount of time.
6. 92% agreed the goals of the training have been met.

Feedback on TRAINING IN GENERAL:
1. 96% were satisfied with their increased understanding of the topic.
2. 92% were satisfied with the variety of training methods used.
3. 84% were generally satisfied with all aspects of this training event.

Monitoring & Evaluation:

During this reporting period, LGI team finalized the preparation of the EoI for seeking the services of individual consultants to deliver a total of two centralized trainings to 30 staff members from potential CGEs in monitoring and evaluation. The EoI will be released in local newspapers during the upcoming reporting period.

Objective 4: Enhance the capacity of the MoLG to assume its regulatory, policy development, sector strategic planning, guidance and monitoring roles.

Table 11: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12
Number of dialogue and awareness sessions held around decentralizations and local governance themes	2	2
Number of national government procedures/regulations or manuals developed or adopted with USG assistance	1	1

The Ministry of Local Government (MoLG) is the key national entity responsible for leading the local government sector. Its various mandates include developing relevant regulations and bylaws governing the sector, policy formulation, regional planning, and guiding and monitoring of LGU affairs through providing the appropriate measures and necessary tools to enhance their service delivery. LGI will provide support to the MoLG in assuming its leading role in the local government sector through various interventions, such as the development of policies, capacity building of MoLG's staff and institutional development efforts.

During the hold on USAID funding in the first quarter of FY12, LGI met with the Assistant Deputy Minister of MoLG to discuss the LGI program potential interventions. During the meeting, the Assistant Deputy Minister emphasized the importance of enhancing the performance of the 11 directorate offices, and confirmed the significant need to conduct a situation analysis followed by a needs assessment to help in understanding the required support needed from the LGI program. To move this process forward, another coordination meeting was held between LGI and the Minister of Local Government, the Deputy Minister of Local Government and the Assistant Deputy Minister. During the meeting, LGI provided a status update of the program's activities and discussed actual implementation of the assessment study (once completed), as well as the possibility of cooperating with BTC (Belgium Development Agency) in the actual implementation of the results of the study.

Accordingly, a workshop was conducted in December 2011 to gain consensus on the roles and responsibilities of the MoLG Directorates. Members of MoLG Planning Council, which consists of the Minister, Deputy Minister, Deputy Minister's Assistants, and MoLG's Director Generals, attended the workshop, in addition to representatives from BTC.
The workshop had the following outcomes:
- There needs to be more focus on improving the capacity of the MoLG Directorates.
- The organizational structure, job descriptions and operational manuals need to be revised.
- The MoLG Directorate offices require the development of an action plan to operationalize the MoLG Directorate Strategic Plan.

LGI has addressed these concerns through the following activities in FY12:

4. 1 MoLG Directorates Capacity Building and Institutional Development

4.1.1 Development of Operational Manuals for MoLG Directorates

As part of its efforts to increase the efficiency and effectiveness of the MoLG, LGI is working with the Ministry Directorates to develop common internal operational and procedural manuals with the aim of regulating and streamlining the procedures undertaken within the 11 MoLG directorates in the West Bank. As such, LGI issued a Request for Proposals to potential local consulting firms for the purpose of developing the manuals. LGI organized a meeting between the MoLG Assistant Deputy Minister and the winning bidder, Bena' for Institutional Development Consulting Firm, during which the Consultant presented to MoLG the objectives and the participatory approach to be utilized in drafting and testing the manuals.

A Task Force, consisting of four representatives from four different departments, was formed in order to work closely with the Consultant to enhance their capacities during the development of the manuals. Approximately 20 different functions undertaken by the Directorate were identified, such as complaints, planning, community participation and public relations, and have been classified according to each department. The consultant then developed and finalized the "as-is" process for the 12 operating procedures and flow charts listed below.   The developed **"As is"** manual was distributed to the 11 regional offices in the West Bank to generate internal written feedback and comments on the drafted manual.

On 8 July, 2012 a workshop was held for all heads of district offices to collectively discuss the **"As is"** manual and reach a consensus on each of the following procedures:

1- Appointment of LGUs board members
2- Resolve and formulate new LGU board
3- Review and audit LGU budgets
4- Master Planning and revision of projects
5- Licenses for Buildings
6- Inspection of buildings
7- Work Permissions for Electricity and water Services
8- Following-up on complaints
9- Guiding & Monitoring LGUs
10- Building LGU capacity
11- Communication (internal and external)
12- Supervising and following up on LGU projects

Photo Caption: LGUs classified B and C discussing the concept of Grand Municipality

22 participants attended the workshop including the Deputy Minister Assistant for LGUs affairs, Deputy Minister Assistant for District Offices affairs, MoLG's Policy Unit and the LGI team.

Following the in-depth and rich discussions, it was agreed that the draft manual should be updated to cover all workshop recommendations, and to be sent back to all district offices for feedback. The draft manual was updated and on 19 July, 2012, all directorates provided their comments and suggested improvements. The manual was finalized and sent to all MoLG heads of departments for final feedback

Following the development of the "As is" manual and gathering comments from MoLG district offices and General Directorates, the consultant handed over to the Ministry the **"to be"** manual that includes his recommendations and suggested best practices. The consultant was also requested to provide a communication plan that aims to specify the flow of communication between MoLG, district offices, and LGUs. This plan will help MoLG in streamlining all reports and correspondence coming from district offices and channel them to their correct destination to ensure timely and efficient communication channels. Currently, most district offices send their correspondence directly to the Minister and Deputy Minister Assistant offices first, and then these offices channel them to their destinations.

On 23 and 25 September, 2012 the consultant conducted several meetings with MoLG's heads of General Directorates, where all "to be" procedures were reviewed for the last time. This is the final stage through which the final operation manual will be generated and distributed to district offices for official use. The consultant is expected to hand in the final version of the district offices procedural manual and communication plan during the first week of October 2012. Following the Minister's endorsement of the manual, it will be distributed among the 11 district offices.

4.1.2 Initiating Dialogue on the Concept of Grand Municipalities

The concept of Grand Municipalities was referred to in the Thirteenth Government Program articulated by the Palestinian Authority. The term Grand Municipalities, as visualized by MoLG, refers to the establishment of a local government entity incorporating a group of adjacent geographic areas/municipalities to cooperate on mutual issues. While the concept of amalgamation can result in the elimination of smaller LGUs under a larger LGU's umbrella, the concept of Grand Municipalities ensures the integrity of local structures like smaller LGUs that work in cooperation and coordination with the governing body from a larger municipality/LGU.

This concept as well as the classification of LGUs entails developing and adopting new laws and regulations to be incorporated in the Palestinian Local Government Units Law, Number (1), 1997, Article

(15). During this reporting period, the MoLG held several workshops with Local Government Units, MoLG's Legal Advisor, the MDLF as well as other representatives working in the local governance sector to discuss article (15) of the Law.

Building on the previous workshops held, and following the finalization of the draft mechanism for the classification of LGUs, LGI supported MoLG and MDLF in holding its workshop on 4-5 April, 2012 to present MoLG findings and receive feedback from the different stakeholders including large municipalities. More than 40 participants attended the workshop.

The major recommendations coming out of this workshop included:
1)   The formation of a committee with a specific name that will move the dialogue on Grand Municipalities forward
2)   The areas where Grand Municipalities would coordinate among the LGUs within it were: Roads and transportation, solid waste, water, sewage, energy, environment, IT, and the guiding framework for physical planning.
3)   The importance of understanding the need to gradually work towards achieving the goal of establishing a Grand Municipality.
5)   To find legislative and legal context to facilitate the application of the concept
6)   The provision of new responsibilities for the agreed upon body without eliminating LGU responsibilities
7)   The provision of funding to promote cooperation between various parties
8)   The attendees also suggested conducting the same workshop for small LGUs to familiarize them with the concept and get their feedback.

Following this workshop, CHF supported an additional workshop on the topic of Grand Municipalities for other LGUs. On July 1, 2012, a workshop was held with the MoLG and small LGUs classified B and C. 35 participants attended the workshop including the Minister of Local Government, Deputy Minister Assistant, MoLG's Policy Unit, USAID Governance Specialist, representatives and Mayors from 15 LGUs, as well as the LGI team.

Photo Caption: (Left: MoLG Representatives and the Consultant, (Right) Heads of Directorates discussing the procedures during the workshop held on 8 July, 2012

The purpose of the workshop was to familiarize LGUs with the concept of Grand Municipalities, its importance, necessity in the Palestinian context, and presenting a regional model of "Amman Greater Municipality". During the workshop, four groups were formed to discuss the proposed methods for applying this concept, reservations, essential environment, and assurances to allow this model to succeed. Following are major recommendations from the four groups:

- Consensus regarding the importance of the concept, and the urgent need to adopt such model in Palestine.
- Given the statement above, it is essential to address the variances among the different Palestinian communities in terms of their nature and characteristics.
- The need to address the legal context.
- Prior to any final approval, there is a need for further investigation, discussion and consultation.

LGI plans to hold similar workshops for larger LGUs, as well as a final joint workshop with both large and small LGUs present. MoLG decided to postpone this joint workshop until the upcoming elections in October 2012.

4.1.3 Training and Orientation for the Newly Elected Mayors

Under this activity, LGI intends to build on the work undertaken by the LDR program, which developed a tailored orientation program made up of four parts (finance, administration, legal, and technical) approved by the MoLG for the newly elected mayors and their deputies.

Under the LGI Program, the plan is to distribute the orientation material among all elected bodies, while the specialized training program will be delivered immediately following the elections in October to the newly elected mayors and their deputies. The need to conduct this training stems from the fact that most newly elected mayors generally come from different practical and academic backgrounds and are not necessarily knowledgeable about the local government sector and its context.

Following a meeting held on 19 September, 2012 with the Deputy Minister Assistant for MoLG's LGUs' Affairs, the following was decided:

- LGI will print the orientation material for dissemination to all newly elected mayors and their council members in the West Bank after elections.
- LGI will provide specialized training to approximately 108 newly elected mayors and their deputies with the potential of training council members within LGI's partner LGUs. The training program includes specialized material in four areas;   Administrative, Financial, Legal, and Technical. The training will be delivered by the third week of November. The 216 trainees will be distributed between 8 groups all over the West Bank as follows:
  - 4 groups in the northern area
  - 2 groups in the middle area
  - 2 groups in the southern area
  Each group will include +/- 25 participants.
  LGI will contract individual consultants to undertake the training and will be providing all logistical support for the training. The Terms of Reference (ToR) for individual consultants was prepared and released in public newspapers.

In addition, following a meeting with MoLG on 30 September, it was agreed that the MoLG cadre will be joining the trainees in the training sessions in order to provide the trainings themselves to the remaining number of LGUs.

4.2 Policy Development and Reform Activities in Accordance with the Sector Strategy

4.2.1 Formation of a Technical Advisory Committee

Parallel to LGI's work at the local level through its provision of capacity enhancement to its partner LGUs, LGI aims to strengthen MoLG's responsiveness to LGUs as well as citizens at large. As part of LGI's various interventions at the national level, LGI will provide technical resources and experts in various fields to MoLG by forming a Technical Advisory Committee. This committee will support the MoLG and LGI in general in addressing key policy development and reform activities. The experts will act as an arm for MoLG decision makers based on their academic and practical experiences in different fields and provide technical advice when needed. As needs arise based on observations from CHF during implementation or requests from MoLG within the scope of LGI, CHF will issue task orders to the relevant consultant(s) based on their subject matter expertise. Consultants will work as part of the MoLG team, facilitating processes, providing technical assistance, and working in partnership with staff counterparts to ensure the sustainability of interventions.

During this reporting period, LGI and the senior management at the MoLG agreed upon nine fields that require technical assistance. These fields represent a comprehensive list of subject matter areas relevant to MoLG work, and were based on discussions with the ministry as well as CHF's experience during LDR implementation. They are: Legislation and Law; Institutional Development and Capacity Building; Community Development and Strategic Planning; Management Information System; Civic Engagement; Physical Planning; Fiscal management; Policy Formulation and Local Economic Development.

LGI has begun the selection process for the committee. A Request for Expression of Interest (RFEoI) for experts was solicited in three local newspapers and the CHF website in July 2012. On 30 July, 2012, twenty one CV's were received in the various requested fields.

4.2.2 Mid-term evaluation and update of the MoLG's Strategic Plan

LGI will focus on institutional and sectorial strategies that need to be reflected into policies, and work on technically supporting MoLG in the formulation of such policies through full coordination with the newly established Strategy and Planning Unit at MoLG. LGI will work with MoLG to review and update their 2010-2014 Strategic Plan, taking into consideration the new developments, especially the newly adopted policy papers finalized under LDR, including Public Participation and Mechanisms for Guidance and Monitoring. The implementation required by these policy papers (i.e., internal audits, disclosure of public information, etc.) will be incorporated into the updated MoLG Strategic Plan.

During this reporting period, LGI finalized the selection process for the consultant to lead this activity. Several meetings were conducted between the consultant, MoLG senior staff, and LGI team. The consultant is responsible for completing a review of the current strategic plan and facilitating workshops that result in updates to the strategic plan. The Consultant will also be responsible for synthesizing the outcomes of the planning process. CHF is a core participant in these workshops, providing review and guidance to the consultant, and feedback to the ministry.

The consultant started the process of evaluating MoLG's strategic plan, and worked on drafting three templates: the first template is to be filled by each department staff to point out what has been achieved to date; the second template is to be used to accumulate all of the achievements collectively for all departments in one sheet; and the third template includes suggested initiatives for 2012 and 2013 to be filled by all MoLG's departments and district offices. Following the Minister's approval of the templates, they were distributed to all departments at the MoLG. Departments filled out the forms and resubmitted them to the consultant on 2 August, 2012, for analysis and summary.

The consolidated responses and summary were presented and discussed during a workshop on 25 and 26 August, 2012 in Jericho. Attendees included the Minister of Local Government, Deputy Minister, Deputy Minister Assistants, Heads of General Directorates, Heads of District Offices, policy unit, MDLF, USAID, and CHF. The workshop aimed to demonstrate the MoLG Strategic Plan Framework's current accomplishments, and work on updating the strategic plan for 2013-2014.

Photos captions: Two-day centralized workshop in Jericho on the 5th and 6th of September, 2012 showing the Salfit and Tuqu' Community Strategic Planning and Technical Committees.

During the workshop CHF consultant demonstrated the strategic plan accomplishments to date, comments on what has been achieved, and general evaluation of the previous period, in which approximately 60% of interventions were accomplished, around 35% were shifted to 2013-2014, and 5% were completely canceled by the MoLG's Planning Council. Interventions include the development of policies, procedures, operational manuals and trainings. Participants were distributed into groups to discuss the 2013-2014 interventions, and had the chance to share their activities with other general directorates and district offices staff.

It was decided at the end of the workshop that all heads of General Directorates will share and obtain their staff's feedback on the planned interventions for 2013-2014. A committee, headed by the Deputy Minister

and including two Deputy Minister Assistants, and the policy unit, was formulated to complete the final revision of the updated plan.

In September 2012, LGI gathered the updated plans from MoLG's General Directorates and conducted a meeting with the Policy Unit to visit the plan per activity and obtain any missing information. On 23 September, 2012 the consultant updated and consolidated the plans in accordance with the meeting with the policy unit, and distributed the updated plan to MoLG's General Directorates for final revision.

Each General Directorate was requested to issue a formal letter mentioning that their plan was revised and they have no other interventions to include. Following this stage, the plan will be submitted for a final revision by the strategic plan committee for its endorsement and implementation.

OBJECTIVE 5: Generate employment opportunities and build the capacity of the Palestinian construction sector through the construction of infrastructure projects.

Employment Generation

Table 12: Key Performance Indicators – Planned vs. Achieved for FY12

Indicator	Planned Target - FY12	Achieved - FY12
# of Temporary Jobs Created	1,753	1,302
# of Person Days of Employment Generated	118,795	49,998[36]
# of Engineering Fellowships Provided	0 (Fellows that completed their fellowship in FY12 were counted under FY11. No new fellowships were planned for FY12 given the funding hold.)	0

Under this objective, LGI generates employment opportunities through the infrastructure projects and design contracts implemented under Objectives 1 & 2; number of temporary jobs and person days of employment are reported in the above chart are summarized below per type of project. The reason for not hitting planned targets is the reduced number of infrastructure projects resulting from the Congressional funding hold. As mentioned in the Executive Summary, the achieved values exceed expectations when compared to the amount of spending in FY12.

Chart 4: Total Number of Working Days generated per Sector (FY12)

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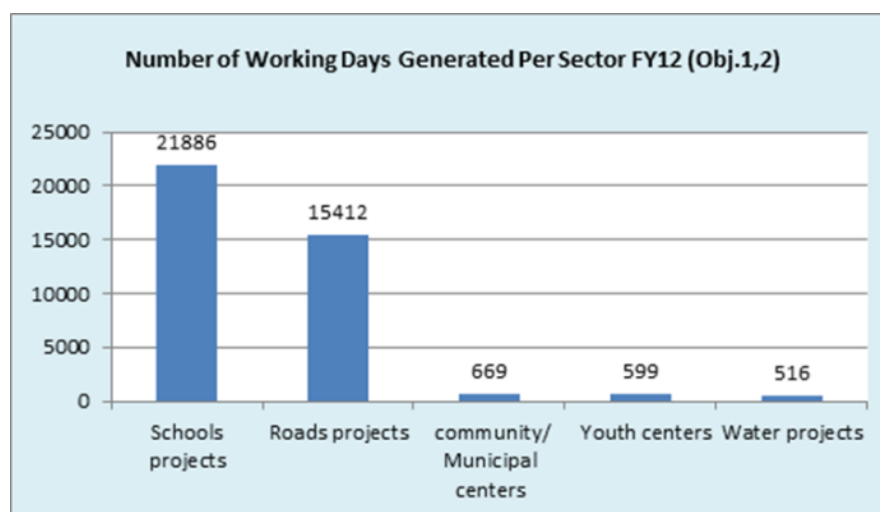
[36] This total accounts for completed, closed and ongoing projects during FY12.

Engineering Fellows Program

LGI is committed to increasing employment opportunities for recent engineering graduates. According to local partner Engineering Association - Jerusalem Center (EAJC) statistics, more than 65% of recent engineering graduates are unemployed, unable to meet the requirements for the job market. Recognizing the need to prepare recent graduates for meaningful employment opportunities, LGI in partnership with EAJC is building the capacity of recent engineering graduates through their participation in the Engineering Fellows Program.

In December of 2011, LGI held a graduation ceremony for 38 fellows who began their fellowship in FY11. The ceremony was attended by representatives from Palestinian universities, engineering firms and contracting companies from across the West Bank in addition to EAJC and CHF representatives. Over the course of the first year, the Fellow Engineers participated in a training series aimed at building their skills in both technical engineering topics as well as non-technical, job-related skills. Between September and December 2011, they completed the following trainings:

- Environmental Impact Assessment.
- Green Building Core Concepts: The training introduced the concepts of sustainability, ecological footprint, sustainable urban form and the principles of active and passive solar and HVAC designs.
- Safety at Construction Sites

Photo Caption: The Engineering Fellows' interview in nablus

Photo Caption: The Engineering Fellows' graduation ceremony

For FY12, no engineering fellowships were provided given the funding hold and the sub-grant with EAJC was also put on hold. Following the lift of the hold, CHF unfroze the sub-grant agreement with EAJC during the final quarter of FY12 to prepare for an engineering fellows program for 2012-2013.

To remobilize the grant, CHF has worked with EAJC this past quarter to finalize the number of engineering fellows (estimated at approximately 58) for this upcoming year. Following the advertisement placed in local papers and at EAJC offices throughout the West Bank, LGI received approximately 597 applications from recent engineering graduates demonstrating the high level of interest in the program. Following the receipt of applications, EAJC eliminated non-compliant applicants who did not meet the initial evaluation criteria listed in the advertisements.

CHF and EAJC conducted approximately 258 interviews at six sites, including Ramallah, Nablus, Jenin, Bethlehem, Hebron, and Tulkarm, covering 10 West Bank governorates starting in the second week of September and finishing on October 4, 2012. The interview panel was made up of 3-4 individuals, at least

2 from CHF and 1-2 staff from EAJC. The panel members filled in individual evaluation sheets for each candidate. Approximately 38% of candidates interviewed were female.

Based on the evaluation sheets, selection will be finalized in early November and the commencement ceremony/orientation day is scheduled for November 25, 2012.

Capacity Building for Palestinian Construction Sector

Again, because of the Congressional hold, activities under this component were postponed until FY13. In preparation for implementation following the lifting of the hold, USAID encouraged CHF to explore potential partnership with the International City/County Management Association (ICMA), a U.S.-based organization that holds the City2City Partnership Leader with Associates (LWA) known as City Links.

Starting in the final quarter of FY12, CHF remobilized this component and began meetings with the Palestinian Contractors Union (PCU) to design a sustainable initiative. CHF also continued coordinating with ICMA to finalize a programmatic approach that focuses on building the capacity of contractors through training and the PCU as an organization. With increased internal capacity, PCU can act as a sustainable source of capacity building support to contractors once LGI is closed.

Activities under this component would include:

1. Association Viability Index and Strategic Planning: Using an ICMA assessment tool, ICMA will lead PCU through a participatory assessment tool to identify organizational strengths and weaknesses and base strategic priorities on assessment results. The assessment will inform the content of all component activities (for example, training topics, learning objectives for the study tour, etc.).
2. Board Orientation and Training: To ensure effective leadership of the PCU, ICMA will provide board orientation training for PCU staff to deliver to the newly elected board of the PCU. Materials will be owned by the PCU and can be provided to any newly elected board members.
3. Training of Trainers: To improve financial sustainability and services for members, ICMA will provide ToT to PCU trainers in subjects determined critical to contractor performance in the West Bank. Trainers will then deliver training to at least 100 contractors.
4. Study Tour: Based on the outcomes of the strategic planning process, four PCU board and staff members will visit with their equivalent in the United States to learn from international experiences that can be adopted in the West Bank.

The development of pricing guidelines for contractors is an additional activity still under consideration. Based on CHF's experience working with a variety of contractors in the West Bank, pricing accurately and competitively continues to be a major challenge. PCU originally suggested creating a pricing book that could be used by all contractors in the West Bank. However, typically such initiatives are led by the government to avoid a natural conflict of interest in having contractors set prices. In the case of the West Bank, the appropriate governmental body would be the Ministry of Public Works (MoPW). CHF has set a meeting with the MoPW in October to see if something related to pricing should be incorporated into this upcoming year's implementation plan. This can be added to ICMA's contract via a contract amendment once it is clear what the intervention would entail.

Based on discussions with PCU and ICMA, CHF has submitted a request for technical concurrence LGI's AOTR to contract ICMA for the provision of technical assistance under this component. Following AOTR technical concurrence, CHF will submit for AO approval. CHF hopes to finalize these approvals as soon as possible to finalize the contract with ICMA and sign an MOU with PCU to move the activities forward.

SPECIAL INITIATIVES

Under LGI's Special Initiatives, CHF focuses primarily on promoting green building in the West Bank as a more sustainable, environmental-friendly option. Khatib & Alami (K&A) provides technical assistance in green building design for selected infrastructure projects and support in implementing green building awareness events. Activities under Special Initiatives were focused in the first and last quarters of FY12, prior to the impact of the funding hold and just after its lifting. Because of the hold, CHF froze K&A's contract and subsequently unfroze the contract and remobilized in the last quarter of FY12 following the lifting of the funding hold.

Technical green building workshops

The first green building workshop under LGI took place in October 2011 in Ramallah and focused on adaptive re-use and rehabilitation of buildings as an environmental alternative to new construction. Speakers at the workshop included the Head of the Architectural Engineering Department at Bir Zeit University, Co-director of Riwaq Center for Architectural Conservation, Head of Sustainability for Khatib & Alami in the United Arab Emirates, and representatives from Turath Architecture and Urban Design Consultants in Amman, Jordan. More than one hundred people attended representing various stakeholder groups, including the construction industry, the engineering academic sector, NGOs, and some governmental officials.

Photo Caption: The Green Building workshop on "Adaptive Reuse and Rehabilitation of Buildings as an Environmental Alternative"

During the last quarter of FY12, CHF and K&A began preparations for a second green building workshop planned for December 2012 focused on renewable energy in green building.

Green Design

The Jalqamous Multi-Purpose Community Center was selected as the first green building project under LGI. The funding hold severely impacted the completion of the design for this project; the design review team at CHF was laid off during the funding hold and the Special Initiatives Coordinator left the organization, resulting in limited follow up with the external design firm hired and delays in CHF's ability to review design drafts provided. Just prior to the hold, K&A provided significant technical feedback on the concept design. Because of the hold, their second review was canceled.

Since the lifting of the hold and hiring of the CHF design review team and Special Initiatives Coordinator in the final quarter of FY12, CHF has been following up and meeting regularly with the external design firm. However, limited capacity of the external design firm has resulted in further delays in completing the final designs for the project. Requests for more information and further design detail were not adequately answered. The CHF design review team is now taking a more active review in actually completing the designs for the project.

The anticipated cost of the project is over $500,000 and the Salah El-Din Municipality package will thus go over $1 million. As a result, CHF will request USAID approval on the Jalqamous design as well approval for providing a package over $1 million once the design is complete.

As the design is being finalized and as part of the Green Apple Day of Service (described in more detail below), LGI sponsored a community meeting at the Jalqamous Village Council Building on 30 September, 2012. The purpose of the meeting was to share the latest green building design with the community for their planned multi-purpose community center. It was also an opportunity for the community to give feedback about the design before it is finalized. The meeting was attended by the head of the village council, CHF's design team that gave a presentation about green building and this specific building's design, as well as Samer Qasim from the Ministry of Environment who gave a brief presentation on the financial benefits of solar panels (the Jalqamous green building has solar panels in the design). Approximately 36 community members attended.

Photo Caption: Green Apple Day of Service Community Meeting in
Jalqamous on 30 September, 2012

Environmental Awareness for Youth and Children

During the first and second quarter of FY12, a green building comic book targeting primarily middle school age students was finalized and printed. These comic books will be distributed at all environmental awareness events for youth and children under LGI, and were distributed in Green Apple Day of Service events described below.

CHF hosted two days of environmental awareness-raising on 29 and 30 September in Abu Dis and Jalqamous in coordination with the international Green Apple Day of Service sponsored by the U.S. Green Building Council. CHF was able to secure support from a wide range of local partners in each location and with the Ministry of Education and Ministry of Environment at a national level. A total of

over 170 students at local schools participated in the events focused on themes of renewable energy, green building, and reuse of materials for school beautification.

Photo Caption: Top left: Youth Shadow Local Council President of Abu Dis welcomes participants to the Green Apple Day of Service on September 29; Top Right: Students and volunteers at the Abu Dis Boys School on the day of service, September 29; Bottom: Girls at the Jalqamous Girls School show off their project on September 30.

On 29 September, activities were held in Abu Dis in partnership with the US Green Building Council, Palestine Green Building Council, Riwaq, Abu Dis Youth Shadow Council, Ministry of Education, and Ministry of Environment. Over 80 students from the girls school and boys school in Abu Dis and about 15 volunteers from partners and the community participated. The main theme for the day was reusing our 'trash' to beautify our schools. Students made new mosaics out of trashed tiles, sunshade out of plastic bags found near the school, and planted new herbs, trees, and fruits in old tires. A photo album for the day can be found here: http://www.flickr.com/photos/87808795@N02/sets/72157631655228858/

On 30 September, activities were held in Jalqamous village in Jenin Governorate in partnership with the House of Water and Environment (HWE), Ministry of Education, and the Ministry of Environment, and the Jalqamous Village Council. The first part of the day was in Jalqamous Girls Primary School with 98 5th, 6th, and 7th graders. CHF and HWE led students through various educational exercises about green building using the Green Building Comic Book, solar energy kits, and educational videos. CHF and HWE also led students in a drawing competition around green themes and school beautification projects, including painting and planting (using reused stone and tires).   Photos can be found here: http://www.flickr.com/photos/87808795@N02/sets/72157631667208125/

The two-day event was funded by USAID under the LGI program and by matching contributions (USD2,500) from Khatib & Alami.

GENDER ANALYSIS

During the past year, CHF has updated and further developed the LGI initial gender analysis and integration strategy. The final strategy has been incorporated into the final and approved AIP for FY13 and will be a key programmatic focus moving forward[37].

As part of that strategy, CHF is to review beneficiary numbers for projects on a quarterly basis to ensure disaggregation is as expected according to the type of indicator/activity implemented. Below is a summary of key program indicators disaggregated by sex:

Table 13: Key Performance Indicators Disaggregated by Sex

Indicator	Total - FY12	Male	Female
# of Palestinians benefitting from provision of USG sponsored multi-sectoral packages	46,376	23,369 (50%)	23,007 (50%)
# of Palestinians benefitting from USG sponsored complementary infrastructure projects	1,112	601 (54%)	511 (46%)
# of people benefitting from USG supported social assistance programming	47,295	24,024 (50%)	23,271 (50%)
# of learners enrolled in primary schools and/or non-school based equivalent setting with USG support	1,468	853 (58%)	615 (42%)
# of people who received USG-assisted training (including management skills and fiscal management) to strengthen local governance and decentralization	320	233 (73%)	87 (27%)
# of community members involved in community participatory processes	1,024	778 (76%)	246 (24%)
# of temporary jobs created	1,302	1,274 (98%)	28 (2%)
# of permanent jobs created	22	18 (82%)	4 (18%)

Overall beneficiary numbers for Objective 1 & 2 infrastructure projects (first indicator above), Objective 2 infrastructure projects (second indicator above), and all LGI activities (third indicator above) are relatively equal.

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[37] See Annex (5) for the Gender Analysis and Integration Strategy.

The discrepancy in number of learners benefitting from school rehabilitation or construction is largely due to the higher number of boys-only Area C schools implemented this year (chosen directly by USAID). The smaller discrepancy in the second indicator above is due to the same reason. To increase the percent of female students benefiting from school projects, CHF suggests USAID focus more, if possible, on co-educational and girls-only schools in Area C for FY13.

For the indicator regarding training, the numbers are skewed highly towards males as a result of the higher percentage of males working in LGUs. For number of community members involved in community participatory processes, CHF has noticed low numbers of female participants and is planning focus groups and interviews in the upcoming quarter to identify barriers to women's participation and brainstorm potential strategies for increasing women's participation based on feedback and data collected from both men and women.

Lastly, for indicators related to job opportunities and as described in the gender strategy, CHF does not anticipate any parity in number of short and even long term jobs created under LGI. The majority of short-term jobs are daily laborers in the construction sector, and they are exclusively men. Engineering or administrative positions for projects make up the minority of temporary jobs, and this accounts for the 28 women under the temporary jobs indicator. For long-term jobs, the majority were generated from school projects, most of which happened to be boys' schools where teachers hired tend to be male.

SUSTAINABILITY, OWNERSHIP OF PROJECTS AND SITE VISITS

SUSTAINABILITY AND OWNERSHIP OF PROJECTS

Central to LGI is ensuring the commitment and interest from communities and stakeholders in sustaining their community infrastructure projects and governance related activities over the long term. LGI is achieving this through various tried and tested mechanisms including the usage of Operations and Maintenance plans for constructed community infrastructure signed by the LGU and the community stakeholders involved and the mandatory community/LGU contribution in the form of cash, materials, labor towards the construction of the infrastructure, thereby enhancing ownership. This year, the Monitoring and Evaluation team revisited and finalized new approaches of the various tools utilized for infrastructure, namely the sustainability and impact plans as well as the pre and post operations and maintenance plans. This included addressing various topics such as maintenance and operations, functionality, technical expertise, financial matters, ownership, durability, impact, and recommended follow-up by the program, M&E and PR teams.

Memorandums of Understanding

In an effort to ensure sustainability and ownership by local and national level stakeholders, LGI will facilitate the signature of Memorandums of Understanding (MoUs) for all projects. In some cases, projects may fall under MoUs with the national level line ministry as part of a package of projects initiated by the Palestinian Authority, while in other cases, MoUs will be signed directly with the beneficiary partners, including local government units and local community based organizations or non-profit organizations, as well as other partners. In all cases, MoUs will delineate roles and responsibilities for infrastructure projects, including during the planning stage, construction and post-project operationalization.

With regards to building in sustainability to the governance related activities, LGI conducted detailed needs assessments with the Youth Shadow Local Councils so as to ensure the trainings delivered are practical and real to the needs of the youth and linking these very trainings to the development of proposals which the youth councils developed and competed against each other for funding. CHF has also been working, during the course of the year, on developing concept papers focusing on various mechanisms that would ensure the sustainability of its YSLCs.

Additionally, to monitor the effectiveness of these processes, focus groups will be conducted with a small number of communities on an annual basis after projects are implemented. The focus groups will facilitate a qualitative assessment on the sustainability of projects from the perspective of the beneficiaries. Focus group discussions will assess involvement of key stakeholders and other beneficiaries in operating, maintaining and using the facilities provided by LGI. There will be a random selection of a number of communities each year for participation in sustainability focus group discussions based on geographical location, sector, and project value.

Matching Contributions

This year, LGI leveraged approximately 22% in matching contribution – cash and in-kind from a total of US$2,857,751.36 contract value.

During this reporting period, LGI held eight focus groups as part of assessing the sustainability of completed infrastructure projects:

1. Bethlehem – Rehabilitation of internal roads with sidewalks and walls – Arab Ar Rashaydah.
2. Sinjil - Rehabilitation of Abu Bakr As Saddeeq Primary Boys' school.
3. Sinjil – Rehabilitation of Sinjil roads.
4. Marda water well.
5. Rehabilitation of main entrance with asphalt, sidewalks and retaining walls of Salah Al Deen municipality suburb Um El Tut.
6. Construction of the first floor and rehabilitation of the ground floor of Biddya Youth Club.
7. Ramallah – Rehabilitation of Qadoura Youth Club.
8. Azzoun Youth Club.

Photo Caption: Focus Group held in Qadoura Youth Club

Photo Caption: Focus Group held in Sinjil

Focus groups findings revealed a high degree of satisfaction in terms of the sustainability of the projects and CHF's continued efforts to work closely with its partner LGUs to address any major concerns or problems. In Sinjil, CHF implemented projects revealed high satisfaction among beneficiaries in terms of the life improvements and how they impacted people's lives to date (for more information, refer to Objective 1).

In Qaddoura camp, following LGI's intervention, the Executive committee of the club is actively working on seeking other community stakeholders as well as more funds to become fully sustainable in the long run. This case in particular has showed the enormous impact LGI's intervention has had on beneficiaries. According to participants, the percentage of female participation in various activities has risen from 20% to 50% due to the newly expanded facilities in the club. Youth in the past suffered from time limitations in terms of practicing for dabkeh (folkloric Palestinian dance); now, they can practice for longer hours leading to better performances. In one case, one of the youth members has developed his IT skills and is now being contacted by USAID to conduct various trainings on IT topics. Other cases revealed how homeless youth, who were on drugs and fully recovered now, have found a home where they belong to and continue to improve as their sense of belonging has strengthened.

In Azzoun, the focus group responses demonstrated significant impact from the project one year later. According to participants, the club provides space for girls in a largely conservative community and provides days just for females. In addition, as a tangible change in the community, participants remarked on the difference between Ramadan in 2011 and 2012 because of the renovation and expansion of the club. With larger space, the club provided an area for youth in the evening after Iftar (breaking fast) and kept youth off the streets, creating a much safer and calmer environment during Ramadan. In addition, the club has provided extracurricular educational courses for local youth.

In terms of sustainability, the club is being maintained by the ongoing support of community members who provide maintenance often on a voluntary basis. In addition, members pay membership dues each month and this goes towards the ongoing operations of the club. Lastly, the administration is looking into the possibility of hosting weddings as a sustainable income generation activity. The club administration and youth still would like to furnish the club with gym equipment and have male and female days for exercising, which they believe will further increase female attendance at the club. In addition, they mentioned that local women and girls do not have access to a gym except in Qalqilya, which many women and girls cannot easily access.

Moreover, LGI surveyed 140 project users and administrators of 25 infrastructure projects that have been completed for more than one year. In the future, the M&E team will increase the sample size based on the total number of beneficiaries and the size of community in order to reflect precise and accurate results and findings. The M&E team analyzed the results using SPSS and the main findings were as follows:

Maintenance & Operations
1. 94.5% of beneficiaries said they have maintenance and operation plans.
2. 80% of beneficiaries of the project and administrators agreed that the maintenance and operations plan is being implemented.
3. 71% of the beneficiaries of the project and administrators agreed that the project was properly equipped and furnished if it is applicable (Non road projects). This percentage is due to the fact that respondents did not consider roads in their answers. As such they marked it either (not applicable) or they left the answer blank. In the future, the LGI team will explain to respondents that roads shall consider: the availability of traffic lights, road markings, cat eyes and surface water drains.
4. 77.7% of beneficiaries of the project and administrators agreed on the required financial resources to maintain and operate the project are being provided.
5. 80.7% of beneficiaries of the project and administrators agreed on the required technical resources to maintain and operate the project are being provided.
6. 77% of beneficiaries of the project and administrators agreed that when a maintenance problem arises, it is resolved within a reasonable timeframe.
7. 92% of beneficiaries of the project and administrators agreed that when they see a maintenance problem, we know who to contact to resolve the issue.

Durability
1. 84.9% of beneficiaries of the project and administrators agreed that they are satisfied with the quality of materials used for construction.
2. 83.6% of beneficiaries of the project and administrators agreed that they are satisfied with the durability of project construction.
3. 87.8% of the beneficiaries of the project and administrators agreed that the condition of the project at this stage is as they expected.

The above findings demonstrate the high quality of CHF's quality assurance monitoring to ensure best practices are being implemented.

Ownership
1. 100% of beneficiaries of the project and administrators said that they are proud that this project is in their community.
2. 85.6% of beneficiaries of the project and administrators said that they, as individuals, contribute to the effective maintenance and operations of the project.
4. 83% of beneficiaries of the project and administrators agreed that the project addressed real community needs. This is indicative of LGI's responsiveness and strategy in working closely with its partner community

5. 91% of beneficiaries of the project and administrators satisfied with the quality of the project.

Impact

1. 90.7% of beneficiaries of the project and administrators agreed that the project achieved positive impact in their community.

SITE VISITS

In addition to the regular site visits undertaken by LGI during the lifetime of the project to evaluate the quality of work and ensure timely remedial/corrective action, if needed, the LGI engineering team conducts site visits approximately 1.5 years after the project is completed (and every year subsequently) to follow up on three main aspects of project sustainability: maintenance and operations, functionality, and durability of construction. This year, LGI conducted 28 site visits to various completed projects; below is an analysis of the visits:

Projects were utilized, functional and operational. They have been adequately furnished supplied and equipped.
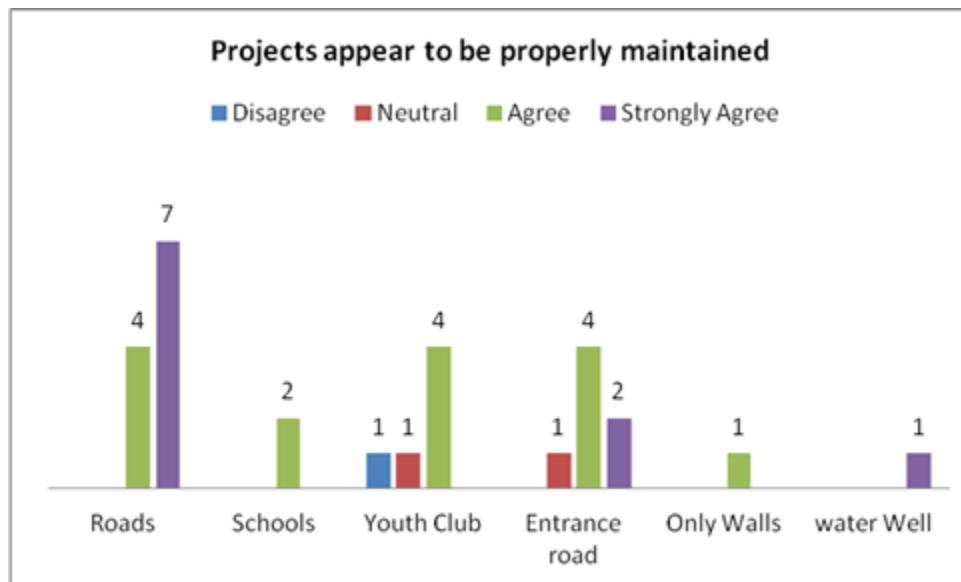
Findings:

- "Ein Al Sultan Youth Club project" site visit report stated there are concerns regarding doors locks as they are damaged and should be replaced. The main door of the club as well as inner doors painting works need maintenance.
- "Rehabilitation Internal Roads in Hindaza and Bureid'a" site visit report stated that the asphalt level is currently below the level of the manhole.
- Site visit reports for two projects stated that there were asphalt damages to the rehabilitated roads due to continuous movement of tractors. The Local Council is the entity responsible for fixing these damages.

Recommendations:

Most recommendations by CHF engineers focused on the importance of the Local Council in maintaining the quality of the project following the hand-over phase. This should be done through routine maintenance in order to ensure the sustainability of the project.
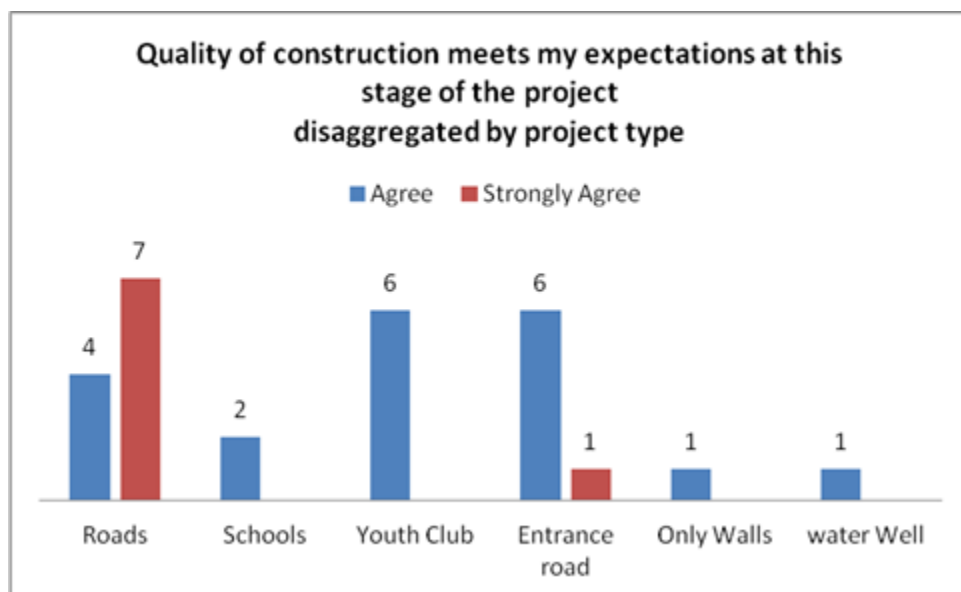
Charts below reflect the results of the 28 site visit reports using a scale of (Strongly agree, agree, neutral, disagree and strongly disagree):
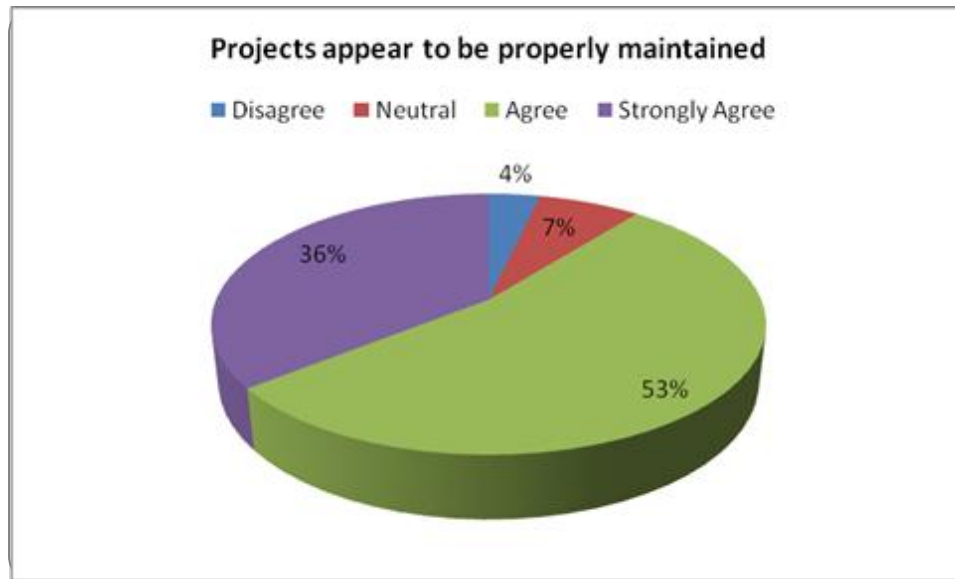
Chart 5

Projects appear to be properly maintained

Disagree ■ Neutral ■ Agree ■ Strongly Agree

	Roads	Schools	Youth Club	Entrance road	Only Walls	water Well
Disagree			1			
Neutral			1	1		
Agree	4	2	4	4	1	
Strongly Agree	7			2		1

The chart above reveals that approximately 90% of projects appear to be properly maintained.

Chart 6

Quality of construction meets my expectations at this stage of the project disaggregated by project type

Agree ■ Strongly Agree

|	Roads	Schools	Youth Club	Entrance road	Only Walls	water Well
Agree	4	2	6	6	1	1
Strongly Agree	7			1		

The chart above clearly shows the general consensus in terms of the quality of construction meeting the expectations at this stage of the project.

Chart 7

Projects appear to be properly maintained

■ Disagree ■ Neutral ■ Agree ■ Strongly Agree

4%

7%

36%

53%

The above chart reveals that 89% of the respondents believe that projects are properly maintained.

Chart 8

Quality of construction meets my expectations at this stage of the project

■ Agree ■ Strongly Agree

29%

71%
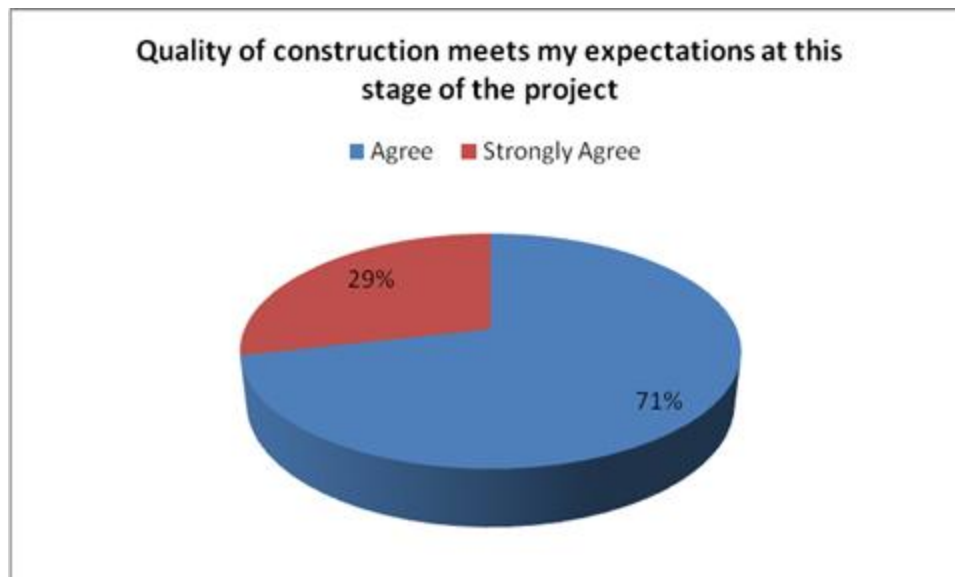
The chart above shows that 100% of the respondents felt that the construction meets their expectations at that specific stage of the project.

COORDINATION AND LEVERAGING

The LGI team prioritizes coordination and leveraging with other development partners as a key strategy of the program. As such, the team maintains linkages with government units at the national, district and local levels, community stakeholders, the private sector, other implementing agencies, and donors on an ongoing basis. LGI has pursued these linkages in close coordination with USAID to ensure efforts complement mission priorities and policies.

Coordination is done on multiple levels. As such, several meetings were conducted throughout the first quarter of FY12 to maintain these efforts with the MDLF, USAID, BTC, GiZ and relevant Line Ministries. As part of the planning process in target communities, LGI also meets regularly with the local and district level stakeholders, and community members through meetings, site visits and community workshops. Furthermore, the team met on a regular basis with the U.S. Department of State and the Israeli Civil Administration to facilitate movement on Area C project approval and licensing within the context of the broader discussions between the U.S. and the Israeli government.

This consistent level of liaising and coordinating program initiatives proved to be useful during the first half of FY12 where the Congressional Hold on funding resulted in LGI having to reduce the scope of its activities as well as staff. The strong relationships built over the past year with counterparts like the MDLF, MoLG, GIZ, and of course the partner LGUs, allowed LGI the opportunity to continue to remain a key player in the sector despite not having the financial ability to implement major activities. For instance, LGI leveraged this challenge into an asset by coordinating with the MDLF on the Financial Management Packages (Component C, Activity 3.3.4), modifying its activities under this initiative, and continuing to be a key partner in the process. Thereby LGI continued working towards its aim of enhancing LGU service delivery and increasing their efficiency despite not having the financial resources to deploy the software in the LGUs.

Another opportunity leveraged by LGI during this period was working with the MoLG and GIZ on creating a unified manual for setting up Customer Service Centers (CSCs). This would allow MoLG and LGUs to have a blue print for setting up CSCs in their communities, thereby standardizing CSCs across the West Bank. At the same time, LGI continued to meet regularly with MoLG to keep them apprised of the funding situation and ongoing program activities.

Moreover, LGI met regularly and worked closely with its targeted communities. As part of the Community Planning activity, LGI conducted various field visits and workshops with community members to provide support in the process of selecting infrastructure projects (as part of the SDIP process). Numerous meetings were held with MoLG where both parties agreed that CHF would provide summary versions of our USAID reports to MoLG in Arabic on a monthly and quarterly basis. Another meeting was held with MoLG to discuss potential interventions post the local Palestinian elections, plus new partner Municipalities who could become non-restricted, enabling them to be targeted by LGI.

CHF also held several meetings with line ministries. For example, a meeting was held with the Minister of Telecommunication and Information Technology to discuss LGI's intention to support E-Government initiatives in the West Bank. LGI re-launched meetings with Special Initiatives partners, Khatib and Alami ((K&A), Engineers Association – Jerusalem Center (EAJC) and the Palestinian Contractors Union (PCU) in order to restart activities following the release of funding. CHF continued to hold various discussions and meetings with Riwaq Center for Cultural Conservations to explore possible coordination on topics such as green building and environmental awareness-raising. LGI coordinated closely with local actors involved in green building initiatives, particularly for the 29 September Green Apple Campaign event spearheaded by the U.S. Green Building Council. CHF held an event on this date to coincide with

the international campaign. To engage local partners in the effort, LGI met with the Ministry of Environment, Palestine Green Building Council, the Engineering Association – Jerusalem Center, and reached out to the Higher Green Building Council. LGI was also active in contributing to the SDIP National Working Group meetings, in which LGI's community planning approaches for vulnerable communities was considered for adoption by other counterparts and an agreement has been reached among all stakeholders on the general framework for revisiting and updating version 3 of the SDIP Manual. This working group includes the World Bank, MoLG, JAICA, GiZ, and MDLF.

LGI worked in close cooperation with the Municipal Development and Lending Fund (MDLF), especially in developing the Financial Management Packages and the Physical Planning interventions as well as supporting summer camps for children aged 12-15. LGI was actively involved in several meetings held with the Sector Working Group to discuss various interventions currently being provided by different local governance programs. LGI also partnered with ANERA to produce a video reflecting LGI's impact in Area C.

Through its Youth Shadow Local Council (YSLC) initiative, LGI was able to influence positive relationships between the YSLCs and various civil society organizations as well as partnerships with community based organizations, such as the 'Illar Sports Club and the Palestinian Association for Child Arts. To this end, and as a result of LGI's solid relationship and close coordination with its partner communities, LGI witnessed a great success in implementing numerous YSLC initiatives during the year in cooperation with Local Action Committees (LACs) as well as Community based Organizations (CBOs). Some initiatives were done in partnership with 15 private sector companies, such as the Jericho YSLC initiative "Career Day" held during this summer.

Another highlight was MoLG's request to enlist YSLC members in the Palestinian delegation participating in the 6th World Urban Forum in Naples, Italy during 1 – 7 September, 2012. Three members attended the forum and had the opportunity to network, providing them with an effective platform to connect and link with other similar models and initiatives. Additionally, Basha'er Othman, Head of 'Illar YSLC, visited Qatar on 5 August 2012, upon the invitation of Sheikha Moza, the Chairperson of the Qatar Foundation for Education, Science and Community Development. Basha'er also received an invitation to participate in an annual Mayor's Forum in Indonesia. She was awarded as the youngest Mayor in the world.

Moreover, a site visit to Beit Ur Tahta was held with Elizabeth Arend, the new Executive Director of the American Charities for Palestine. The purpose of the visit was to see the project implemented under the Emergency Jobs Program (another USAID funded Program) in Beit Ur Tahta and to meet with the head of the village council there to discuss any future cooperation under the LGI program. CHF and USAID Engineers conducted a joint visit to Al Quds University in Abu Dis given that USAID's infrastructure and education office Directors have expressed interest in rehabilitating the entire structure of the Science Learning Center (referred to by the university as the "Science Museum"). LGI, in coordination with USAID, held joint visits to Kafr Thulth, Qalqilia, 'Illar and 'Anabta partner LGUs. LGI and USAID also visited the Effita School for the Deaf in Bethlehem and identified the general scope of the project.

The above examples amply demonstrate that coordinating and leveraging efforts with other stakeholders in the local government sector is one of the important components of LGI's implementation approach, with the main objective being to identify synergies and avoid duplication of development projects/interventions.

VISIBILITYAND OUTREACH

In addition to the Special Initiative events highlighted above, CHF continued to make the impact of LGI's efforts visible to program participants and beneficiaries during the past year. However, during the most severe part of the funding hold (the 6th quarter), CHF put a hold on all major public relations and outreach activities due to possible negative repercussions of prominent outreach during such a politically tenuous period. Below are visibility and outreach highlights for FY12.

Website and Social Media: CHF Palestine finalized a new website at the beginning of FY12. The main aim of this new website is to reflect the mission and the vision of CHF West Bank/Gaza, and to use the website as a channel to communicate with different stakeholders including beneficiaries, the international community and stakeholders.

In addition, in the final quarter of FY12, CHF provided Facebook updates to CHF/Headquarters and USAID West Bank & Gaza (by tagging USAID's page) on a weekly basis.

Video: CHF and ANERA are working on a joint video on two Area C projects, one school and one health clinic. The final day of shooting for the video took place on 9 September, 2012. During the final quarter of FY12, CHF, ANERA, and USAID worked to finalize text about Area C for the video. Finalizing the text caused a delay in completing the video since the final English text required translation to Arabic and then recorded narration in order for the video to be accessible in both Arabic and English. The video should be completed in the first quarter of FY13.

Events & Visits:

Sinjil Roads and School Project: In Sinjil in early January 2012, CHF participated in a locally sponsored celebration for the completed rehabilitation and renovation project works for Abu Bakr As-Saddeeq Primary Boys School and internal roads in Sinjil. The ceremony was attended by the Minister of Local Government, the U.S. Consul General, the USAID Mission Director, and CHF Palestine Country Director, as well as a number of representatives from the Palestinian Authority and the civil society organizations. The ceremony commenced at the school and was followed by a walk around the town to look at the newly rehabilitated streets. The inauguration ended at Sinjil Hall where there were speeches and a student performance.

USAID and CHF/HQ Visits: During the third quarter of FY12, CHF Palestine had the pleasure in welcoming its President, Mr. David Weiss and Mr. Richard Celeste, CHF Trustee and former Governor. Messrs. Weiss and Celeste were able to witness CHF's impact through visiting its various programs, meeting with CHF staff from different programs as well as by taking part in several meetings held with USA Consul General, Mr. Daniel Rubinstein, USAID Mission Director, Mr. Mike Harvey, the Minister of Local Government, Mr. Khaled Qawasmi, other Palestinian officials, the private sector and citizens from different LGUs.

During the same period, LGI held four visits to Qalqilia, Kafr Thulth, 'Anabta and 'Illar. The visit included USAID Mission Director, Mr. Mike Harvey; USAID Governance Specialist, Ms. Reem Jafari; CHF President, Mr. David Weiss; CHF Trustee and Former Governor, Mr. Richard Celeste; CHF Country Director, Ms. Lana Abu Hijleh; LGI Program Director, as well as Mayors, community representatives and CHF team members. In 'Anabta and 'Illar, the YSLCs gave a brief overview to USAID representatives about their achievements and upcoming activities in their community. During both visits, YSLC members had an open discussion with USAID Mission Director, Mr. Harvey, on urgent

challenges facing Palestinian youth within their communities. Mr. Harvey expressed his personal pride in the youth and congratulated them on their substantial and significant achievements.

Photo Caption: CHF President, David Weiss and CHF Trustee and Former Governor, Mr. Richard Celeste with Basha'er Othman, 'Illar's 15-year old female YSLC President.

Opening Ceremony for the Ad-Deirat Co-Educational School: The opening ceremony for this Area C school in Hebron Governorate took place on 8 September and was attended by Assistant Administrator (AA) for the Middle East, the Minister of Local Government, a representative of the Ministry of Education in Hebron Governorate, the partner Village Council, as well as CHF and USAID representatives. The event was well attended by press and was reported on in PANET, WAFA, wafaimages, PNN, Ma'an Agency, shasha.ps, bokra.net, Al-Ayyam.com, alwatanvoice.com, alreefradio.com, Al-Ayyam Newspaper, and Al-Hayat Al-Jadida Newspaper. Prior to and right before the event, students were engaged in a beautification project at the school, painting the walls with a local artist from Hebron. The event included brief remarks from the village council head, Ministry of Education representative, and the AA. The village council presented appreciation plaques to CHF and USAID. A local resident who donated land for the project also presented a gift of appreciation to USAID. Attendees took a tour of the new school, and the USAID AA heard from Um Khadr, a local grandmother with many grandchildren in the school. She expressed her appreciation for the USAID investment. The AA also distributed backpacks as part of the back to school campaign and took a group photo with students.

Photo Caption: (Left) Assistant Administrator (AA) for the Middle East distributing a backpack to a female student, (Right) the AA helping one of the students working on a mural.

New Plaque Design: In preparation for the inauguration and to pilot a new type of project plaque, LGI designed a new project plaque using traditional Armenian tiling approaches for Ad-Deirat Co-Educational School. The plaque provides typical branding found on traditional plaques, but also includes before and after pictures demonstrating the impact of the project and other project highlights. In this case, that included information on three green elements in the design of the school. For future high profile and green projects, this type of plaque can be used, especially since it is much more durable and lasts far longer than traditional plaques.

Photo Caption (above): Design for metal stand at Ad Deirat Co-Educational School

Media Coverage[38]: Under LGI, CHF and local partners are regularly covered by local media. During the past year, CHF has been covered in 69 articles. Major coverage, including internationally, was garnered for the appointment of the Illar YSLC president as Acting Mayor for three months and the Deirat School Opening attended by Assistant Administrator Mara Rudman.

Quarter	Number of Articles
Quarter 1 (1 October 2011 – 31 December 2011)	8
Quarter 2 (1 January, 2012 – 31 March 2012)	13
Quarter 3 (1 April 2012 – 30 June 2012)	8
Quarter 4 (1 July 2012- 30 September 2012)	40
Total	69

Success Stories: CHF has completed seven success stories this past fiscal year covering:

1. Green Fellowship (Quarter 5)
2. Area C Case Study (Quarter 5)
3. Four Homes of Mercy (Quarter 7)
4. A Day at Anabta (Quarter 7)
5. 'The Youngest Mayor' about Bashaer Othman from Illar Youth Shadow Local Council who was temporarily appointed as Mayor of Illar (Quarter 8)[39].
6. An additional success story on Bashaer Othman was published by CHF's President in the Huffington Post (Quarter 8).
7. Area C School Projects with a spotlight on Dhaher Al Abed and Deirat Schools (Quarter 8).

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[38] For a list of media coverage, see Annex (6).
[39] For more information on success stories, see Annex (7).

MONITORING, EVALUATION and REPORTING

Despite a major reduction in staffing during the first three quarters of FY12, the KMU in cooperation with the rest of the LGI team finalized LGI's Data Quality Assessment (DQA) for all infrastructure and governance files to ensure their accuracy and inclusion of all required documents in preparation of the RIG Audit. All indicator numbers reported on were traced back to their original source documents, and corrected in case they were miscalculated due to human error or missing documentation such as attendance sheets or daily worker reports. All LGI program files to date were reviewed for missing documents and file checklists were developed for each type of ongoing and completed intervention.

The KMU worked extensively during this year to develop a new monitoring and reporting system for the LGI program. The system includes new indicator tracking sheets for infrastructure and governance components, reporting forms, filing checklists for DQA purposes, new impact note format and method, new sustainability and ownership assessment forms, training forms and site visit reports, to name a few. This also required the reassignment and division of roles and responsibilities of reporting for the entire team to meet donor requirements, increase accountability and assure efficiency and consistency.

By the end of June, the KMU was able to finalize the new reporting workflow and processes. The new reporting system was introduced during an orientation workshop held on 4 July, 2012 to orientate participants on the new system. This system has been utilized as a reporting tool since then. During the first quarter of FY13, the KMU will conduct an evaluation to assess the viability of the system and any challenges that LGI should overcome to improve the quality and timeliness of reporting.

Moreover, The Monitoring and Evaluation team re-visited LGI's various tools utilized for infrastructure; namely the sustainability and impact as well as the pre and post operations and maintenance plans. Following the focus group that was held in Azzoun, the M&E team discussed the results of the focus group, addressed essential gaps in the data form that has been used and consulted with LGI's respective teams for their general feedback. Accordingly, and since LGI perceives these tools as live documents that should be updated and enhanced periodically, the M&E team finalized its new approach and created a reporting template for sustainability and impact. The new document now captures all relevant information in a holistic manner. This includes addressing various topics such as maintenance and operations, functionality, technical expertise, financial matters, ownership, durability, impact, recommended follow-up by the program, M&E and PR teams. The new document will be tested in one of LGI's partner communities during the next reporting period.

Furthermore, the Infrastructure and Governance Master Tracking Sheets, tools developed by the KMU to monitor activities, have been finalized and are reflective of accurate, precise and up-to-date data. All data, as of 30 September, 2012 has been uploaded on Geo-MIS; activities have also been uploaded onto TRAINET.

Additionally, as part of ensuring the quality of our visibility, the KMU established a database system for requesting and monitoring Signs and Plaques for infrastructure projects. This system will better enable the KMU to ensure the quality of signs and plaques as well as the promptness of fixing them on time.

During the last quarter of FY12, and following a number of meetings with USAID representatives to discuss USAID's feedback on various interventions of LGI's AIP, including methodologies/models/tools, LGI submitted its final revised AIP on 14 October, 2012 (FY13). The AIP was approved on 22 October, 2012. LGI's PMP and PIRS were approved by USAID on 15 October, 2012 (FY13).

The KMU also attended several USAID workshops; one on performance reporting by the USAID/WBG Monitoring and Evaluation Team and another on updated GIS requirements.

In other KMU happenings:
- ✓ Three key staff members attended a Geo-MIS training held by USAID on 10 April, 2012.
- ✓ The KMU, in close coordination with the IT department as well as the Deputy Director for Governance, finalized an in-house developed database for training.
- ✓ The KMU held a meeting with AWRAD on 30 April, 2012 to discuss the governance baseline. This is awaiting the finalization and approval of the AIP. Another meeting was held to discuss the five key impact indicators under the governance component based on discussions with USAID on 2 August, 2012 regarding the PMP for governance interventions. Now that the AIP is approved, AWRAD will develop an inception report and budget for the baseline assessment.
- ✓ The KMU held a meeting with USAID on 8 May, 2012, 9 July and 17 July to discuss relevant new indicators as per the revised AIP.
- ✓ The KMU conducted sustainability and impact focus groups for the Azzoun Youth Club, Qaddoura Youth Club and Sinjil Rehabilitation of Roads and Abu Bakr As Sedeeq School.
- ✓ The KMU and the IT department jointly worked on establishment of a shared calendar for CHF.
- ✓ The KMU finalized data entry and analysis of all trainings conducting during FY12 using SPSS.
- ✓ The KMU finalized in coordination with LGI staff a gender strategy for the program that includes an initial gender analysis and integration strategy.
- ✓ The KMU held a meeting of key staff to discuss changes to assessment documents to ensure greater gender-sensitivity when evaluating the potential impact of proposed projects or planning for the creation of Citizen Service Centers.
- ✓ The KMU worked with the training officer to update training evaluation forms.
- ✓ Reporting to USAID continued according to the regular USAID reporting schedule.

Future Outlook during the upcoming reporting period:

- ✓ The LGI team will also work on the development of a scope of work for a baseline study to be conducted on the governance component of the program; this document will be complimentary to the Citizen Perception Survey completed by AWRAD. This activity was delayed from last quarter due to changes in funding situation, delay in AIP approval and staff reductions.
- ✓ New internal reporting systems and forms will also be finalized to encompass the new components of the program.
- ✓ The internal reporting system including source documentation, persons responsible for collecting data and maintaining data on file will be shared with LGI team through an orientation workshop held with relevant teams.
- ✓ The KMU will initiate an After Action Review process to highlight success and challenges faced in key program activities.
- ✓ The KMU will conduct 'departing debriefs' with technical staff that are leaving CHF to capture their knowledge before leaving the organization using a standard interview protocol.

OVERCOMING CHALLENGES and LEASONS LEARNED

Funding Hold: One of the main challenges of this past year, as documented in previous reports and the Annual Implementation Plan (AIP), was the Congressional funding hold placed on USAID programming in the West Bank & Gaza. Specifically, the hold resulted in staff lay-offs and reduced implementation levels. Given limited staff, bottlenecks arose that slowed implementation. For example, CHF laid off the design review team because of the funding hold, which caused a bottleneck in design review that has affected LGI until the beginning of this past quarter. Now the design review team is fully staffed, but approximately 37 projects remain under design review, a large number given the back-up caused during the hold period.

During the hold period, many projects needed to be postponed until the funding situation became clearer. Partner LGUs were aware of the full packages submitted for their LGU and communities, but CHF played the delicate role of constantly managing expectations with LGUs to ensure they would remain cooperative and bought into the program. Staff did this by staying in constant contact and checking in regularly despite not necessarily having ongoing projects. In addition, because of CHF's constant contact and strong relationships, LGUs continued working on designs for their projects despite not having guarantees that the projects would eventually get funded. Moreover, LGU staff would call CHF governance staff for advice on day to day challenges facing the municipality despite not having visible CHF/LGI governance activities at the time. This demonstrates the level of expertise available within CHF's staff and the degree of trust and cooperation between CHF and LGU partners.

The hold also resulted in lower staff morale as colleagues were let go and work demands increased on those that remained with CHF despite uncertainty as to future funding. In the past two quarters, CHF has newly hired or rehired staff that were let go during the hold, resulting in an influx of over 35 new or returned employees who are either learning or adjusting back to CHF systems, procedures, and organizational culture. To reset team morale, CHF senior staff are focusing on a daily basis to clarify roles and responsibilities and provide feedback to staff. In addition, an all staff retreat was held in October 2012 to provide professional development opportunities for staff and set new organizational norms.

Despite the hold and its effect on partners and staff, CHF was able to maintain a respectable level of implementation to continue to represent LGI as an important contribution to the local governance and infrastructure sectors.

Quality Control of Infrastructure Projects: Looking back over the past year, CHF has focused extensively on enhancing overall quality of infrastructure projects and quality control checks and balances. These improvements have resulted from a number of organizational and programmatic shifts, including an internal focus on following the highest construction standards possible, which is often beyond the typical efforts of local contractors. As a result, CHF engineers are constantly working with contractors to provide feedback on where improvements to quality can be made and following up to ensure snag lists and other feedback are addressed. In addition, engineers are more focused on milestone management, and releasing payments, documenting delays, and providing extensions (with or without penalties depending on the circumstances) accordingly.

CHF has also modified the position of Environmental and Safety Officer to Quality Assurance and Safety Officer, focusing more intently on quality assurance issues at project sites. This staff person is responsible for providing additional feedback to CHF engineers and contractors regarding the quality of work down to the finest details, including playground and basketball courts, landscaping, and chalkboards. He provides snag lists and site visit reports with quality or safety recommendations that are addressed by site engineers and contractors. Annual site visit reports following the completion of projects are another

additional step CHF has introduced this past year to follow up on quality issues (described in more detail under enhancing sustainability).

Enhancing Sustainability of Infrastructure Projects: In the past year, CHF has also increased its focus on the sustainability of infrastructure projects by introducing new or revised monitoring and evaluation tools. This overhaul was a result of a review of sustainability tools already in use. Some of those tools were not gathering enough useful information to provide CHF feedback on the extent to which projects were being sustained or were considered confusing for staff and end users, including the pre- and post-sustainability checklists and focus group protocols for doing more in-depth evaluations of project sustainability. As a result, CHF worked to revise most of its M&E tools for sustainability and added a goal-level indicator on sustainability in the Performance Management Plan (PMP) to emphasize its importance. The newly revised tools include:

1. (Updated) Maintenance & Operations Planning document to be filled with partner LGUs or ministries that gives more detail on how the partner will financially maintain the project as well as provide the required technical resources, supplies, and equipment.
2. (New) Sustainability and Impact Surveys: These surveys are distributed approximately 1.5 years after a project is completed to get feedback directly from project administrators and users on how well the project is being sustained. This tool replaces the post-project sustainability checklist which was found to have little technical value, and is done for all infrastructure projects.
3. (New) Site Visit Reports: This report is filled by CHF staff conducting site visits approximately 1.5 years after the project is completed (and every year subsequently) to follow up on three main aspects of project sustainability: maintenance and operations, functionality, and durability of construction. This is an opportunity for CHF staff to provide suggestions to project administrators on how they can increase project sustainability and enhance project functionality.
4. (Updated) In-depth Sustainability and Impact Evaluations: A more in-depth evaluation is conducted primarily by the KMU on at least 5 projects per year that includes focus groups to acquire more qualitative information on how well the project is being sustained and its impact on local communities. Information on project impact is collected using the Most Significant Change methodology. This new approach includes updated focus group protocols and a new sustainability and impact evaluation report format.

Moving forward, and following the results of the sustainability audit currently being conducted by USAID/Cairo, CHF will continue to update these tools.

Follow-up and Impact of Training Programs: Over the past year, CHF had received feedback from trainees that training evaluation and follow-up forms were too long and there was growing concern that trainees were not filling out the forms with enough attention or time. In addition, there has not been an institutionalized approach for following up on the impact of training programs. Therefore, CHF updated its training evaluation form to make it simpler, more streamlined, and shorter, eliminating unnecessary questions. In addition, CHF has modified its approach for following up on trainings and evaluating the impact of training delivered. The team has implemented a new form called 'Letter Home' for trainees to fill out. The 'Letter home' is a way for trainees to capture their learning from the training and make sure they document this learning for themselves. The CHF Training Coordinator will then send the letter back to trainees in approximately 1.5 months as a reminder for trainees of what they personally committed to. In addition, CHF has added a new indicator to its PMP to evaluate whether trainees are utilizing what they learn in training in their work 3-9 months after the training. The approach for gathering this information will be systemized during the beginning of Year 3.

Enhancing Participation in Community Planning and Development Processes: Over this past year, CHF has enhanced its community planning processes to ensure greater community participation based on learning from the Local Democratic Reform (LDR) program implemented by CHF and funded by USAID. Following the facilitated community planning process resulting in a proposed package submitted to USAID for concurrence or approval, CHF now regularly returns to the community to ensure the package is still relevant and needed. This is necessary given the time that often elapses between package approval and project implementation, especially given the hold that further delayed project implementation in many cases. This has given the community an opportunity to revisit their package and recommit to or reevaluate its relevance. This also enhances awareness of and participation in community planning processes. This represents a shift in approach for CHF staff that are now more deliberate in engaging communities following the completion of the community's initial plan.

This shift in approach is also seen in communities that go through the SDIP process. Over the past year (and especially in the last quarter of FY12), CHF has begun engaging community members and LGUs on establishing mechanisms for greater community participation following the completion of the SDIP. The central idea is that SDIP committees have contributed significantly to their local communities, have gained knowledge and expertise, and can play a critical role in supporting LGUs in following-up, monitoring, and evaluating the implementation of SDIPs. Specifically, they can play a supportive role for LGUs in:

- Promoting local community awareness on the SDIP and its strategic objectives and programs;
- Advancing networking opportunities between community based organizations and potential supporters at the local and national levels;
- Providing technical assistance to the local council in certain local government affairs; and
- Introducing monitoring and evaluation initiatives that aim to evaluate progress and achievements on the SDIP.

CHF will continue working with SDIP committees and LGUs to clarify and operationalize an ongoing role for SDIP committee members in supporting LGUs as a way to enhance dialogue and communication between community members and LGUs.

Data Quality & Reporting: To improve accuracy and limit the margin of error of reported indicators for infrastructure projects, LGI has developed and implemented a new infrastructure tracking sheet and reporting process. Within the process, the team has built in additional source documentation spot checks to ensure greater accuracy and consistency in reporting.

FUTURE OUTLOOK

The Annual Implementation Plan that included both FY12 and FY13 (AIP) has been revised a number of times this past year and approved as of October 2012. With its approval, CHF is now moving forward with LGI implementation with the approved AIP as the guiding document. However, as mentioned in the AIP, the team has to remain constantly adaptable and flexible to the funding situation and political, social, and economic realities on the ground to ensure LGI's responsiveness and ability to address local needs.

Funding Hold: Moving forward, some of the same external challenges that CHF experienced in FY12 may reappear given the current hold on FY12 funds that would incrementally increase the program's obligation in FY14. As of now, CHF has funds obligated through September 30, 2013, and is thus managing expectations with partners accordingly. CHF hopes that the hold on funding is lifted, and is part of efforts on the Hill (particularly with InterAction) to educate staff on the negative impacts of the hold on programming, USAID and implementers' reputations, and most importantly Palestinian communities.

Possible Funding Reductions: CHF's final approved AIP for the upcoming year was based on assumptions regarding the program's overall funding levels, including a potential scenario of a reduction in funding by about 30%. Clearly, this would have a serious impact on overall LGI interventions. As a result of this and as described in the approved AIP, CHF has reduced the overall number of target communities and CGEs in FY13 to avoid promising infrastructure projects or governance interventions that cannot be provided should the funding reduction affect the program's out years.

Local Elections: Recent local council elections held in October have resulted in new leadership in some of the West Bank's largest LGUs, including Ramallah, Nablus, Jenin, and Bethlehem. These changes may allow CHF and USAID to engage in these key municipalities in line with USG policy. CHF and USAID have met to discuss possibly realigning program resources to partner with these previously restricted municipalities. CHF has presented three possible scenarios: 1. If overall program funding is reduced, CHF will be unable to engage fully these municipalities and will need to eliminate planned interventions in current target communities; 2. If current funding is maintained, CHF will conduct an analysis (following guidance from the U.S. Consulate on which LGUs are restricted) to determine the amount of resources that can be redirected to these LGUs from current target LGUs; and 3. If the current LGI award is increased by approximately $14 million, CHF can move forward with interventions in all planned target communities and the additional LGUs.

Sustainability Audit: CHF was informed by USAID in September that the Regional Inspector General (RIG) would conduct a sustainability performance audit of LGI in October. Based on any potential findings of this audit expected in January 2013, CHF will make the necessary adjustments to internal procedures to enhance sustainability of infrastructure projects.

Rebranding of CHF International as Global Communities...Partners for Good: At an internal international conference held in Silver Spring, MD in September 2012, CHF announced that it will rebrand as Global Communities...Partners for Good. The official announcement in American press will come out in the first quarter of FY13. Roll out of the new branding will take place over the next two years in the field.

Planned Upcoming Activities: With the above issues highlighted as a backdrop for FY13 activities, the following are key milestones for the upcoming year:

- CHF was informed by USAID in September that the obligation of earmarked funds for Area C schools will possibly increase by $4.3 million for FY13. This will be a key focus for CHF under Objective 2 in the upcoming year.
- Completion of 22 infrastructure projects under Objective 1 in vulnerable communities and an additional eight in CGEs.
- Inaugurate four CSCs
- Completion of four additional SDIPs
- Development of land use plans in 11 LGUs
- National YSLC Summit
- Finalize Municipal Capacity Index and establish a baseline for target LGUs
- Adopted policy paper by MoLG on e-municipality
- Business Restructuring and Process Re-Engineering initiative and its related tasks completed for a total of 17 LGUs
- Development of procurement manuals in three LGUs
- HR system deployed in ten LGUs

Within the next quarter, some additional key milestones include:

- Elections for existing and new YSLCs
- Commencement of the 2012 Engineering Fellows Initiative
- Green Building Workshop focused on renewable energy
- Initiation of the governance baseline assessment
- Fixed Assets Registration and Valuation Mapping in a total of two potential CGE LGUs
- Updated MoLG 2012-2014 Strategic Plan
- Finalize orientation and training plan for newly elected council members
- Finalize partnership arrangements with ICMA and PCU for capacity building of construction sector
- Updated LGI Gender Analysis and Integration Strategy

ANNEXES

ANNEX 1 – Performance Management Plan

ANNEX 2 – Infrastructure Master Tracking Sheet

ANNEX 3 – Projects under Design Tracking Sheet

ANNEX 4 – Governance Activities Chart per Location

ANNEX 5 – Gender Integration Strategy

ANNEX 6 – CHF in the News

ANNEX 7 – Success Stories for Quarter Four